Daily Report

Central Eurasia

FBIS-SOV-93-101
Thursday
27 May 1993

Daily Report
Central Eurasia

FBIS-SOV-93-101 *27 May 1993*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

INTERREGIONAL AFFAIRS

Shaposhnikov Interviewed on Military Reform Plan *[MOSKOVSKIYE NOVOSTI 30 May]* 1
Tajik Official on Border Troops Pact With CIS *[ITAR-TASS]* 2
Black Sea Sailors Urge Confirmation of Status *[Moscow TV]* 2
'Latest Events' Surrounding Black Sea Fleet *[KRASNAYA ZVEZDA 26 May]* 2
Industrial Chiefs To Analyze Kazakhstan's Industry *[ITAR-TASS]* 3
Interparliamentary Assembly Adopts Three Documents *[IZVESTIYA 25 May]* 3
Four Former USSR Republics Become IOM Observers *[ITAR-TASS]* 3
ITAR-TASS Carries Press Review for 26 May 4

RUSSIA INTERNATIONAL AFFAIRS

U.S. Opposition to Russian Arms Sales Economically Based *[KRASNAYA ZVEZDA 22 May]* 5
Churkin Gives News Conference on Bosnia *[Zagreb DANAS 21 May]* 5
Mig-23's To Be Withdrawn From Kuril Island *[Moscow Radio]* 6
Gaydar in Tokyo, Cited on Domestic Situation *[IZVESTIYA 27 May]* 6
Defense Minister Talks With South Korean Ambassador *[ITAR-TASS]* 7
DPRK Envoy Says United Kingdom, France Threaten Peace *[Moscow International]* 7
Russian Delegation Meets Vietnamese Entrepreneurs *[ITAR-TASS]* 8
Officials Hold Talks To Aid Tkvarcheli, Sukhumi Populations *[ITAR-TASS]* 8
Tighter Controls on Georgian Border Explained *[KRASNAYA ZVEZDA 26 May]* 8
Russian Ships at Kerch Naval Base Hoist St. Andrew's Flag *[ITAR-TASS]* 9
Leaders of Border Regions With Ukraine To Cooperate *[ROSSIYSKAYA GAZETA 25 May]* 9
Azerbaijan Faces Difficult Decision Over 'Saboteurs' *[IZVESTIYA 26 May]* 9
Khasbulatov Addresses Russo-Arab Forum *[ROSSIYSKAYA GAZETA 25 May]* 10
Commentary Views Velayati's Persian Gulf Tour *[Moscow International]* 14
UK Grants Credits; EC Yet To Agree on Trade *[NEZAVISIMAYA GAZETA 26 May]* 14
Official Says Portuguese Premier Visit Postponed *[Lisbon Radio]* 15
Law Enforcement Cooperation Discussed With Italian Minister *[ITAR-TASS]* 15
START II's Economic, Political Impact Eyed *[ROSSIYSKIYE VESTI 26 May]* 16
Commentary on North Atlantic Assembly Meeting *[MOSKOVSKIYE NOVOSTI 30 May]* 17

RUSSIA NATIONAL AFFAIRS

Political Issues

Yeltsin Chairs Presidium Meeting on Privatization *[ITAR-TASS]* 19
'Hard Work' Needed *[ITAR-TASS]* 19
Reforms 'Must Not Stop' *[ITAR-TASS]* 19
Changes in Industry Viewed *[ITAR-TASS]* 20
More on Privatization *[ITAR-TASS]* 20
Draft Program Endorsed *[ITAR-TASS]* 21
Report of 27 May Deputies' Conference Denied *[Moscow TV]* 21
Yeltsin Edict on Moscow Rallies Detailed *[IZVESTIYA 26 May]* 21
Kozyrev Addresses Foreign Policy Council Session *[Radio Rossii]* 21
Burbulis on New Party, Civic Union *[Copenhagen BERLINGSKE TIDENDE 24 May]* 22
Poll on Reform, Leaders, Media Trustworthiness *[MOSKOVSKAYA PRAVDA 26 May]* 23
More on Court Hearings on Congress Media Decision 23
Fedotov Urges 'Unconstitutional' Ruling *[ITAR-TASS]* 23
Court Says Decision Legal *[ITAR-TASS]* 24
More on Court Decision *[ITAR-TASS]* 24

Poltoranin's Media Center Abolished *[Radio Rossii]* 24
Fedotov Calls For TV To Be Free From Politics *[ITAR-TASS]* 25

Constitution Issues

More on Council of Heads of Republics Meeting 25
Statement Issued on Constitution *[ROSSIYSKAYA GAZETA 28 May]* 25
'Unprecedented Toughness' in Regions *[NEZAVISIMAYA GAZETA 27 May]* 26
Kostikov: Meeting Victory for Yeltsin *[Russian TV]* 26
Further Kostikov Comment *[ROSSIYSKIYE VESTI 27 May]* 26
Federation Treaty Discussed *[IZVESTIYA 27 May]* 27
'Alternative Constitutional Conference' To Meet 3 Jun *[ITAR-TASS]* 27
Rutskoy Says He Was Not Invited to Conference *[Radio Rossii]* 27
Deputies Call For Single 'Coordinated' Draft *[PRAVDA 26 May]* 28
Constitutional Conference Process Questioned *[ROSSIYSKAYA GAZETA 26 May]* 28
Some Opposition Deputies Advocate 'Boycott' *[KOMSOMOLSKAYA PRAVDA 26 May]* 29
'Russian Unity' on Constitutional Conference *[ROSSIYSKAYA GAZETA 26 May]* 30
Faction Wants Constitution Based on Federation Treaty *[ROSSIYSKAYA GAZETA 26 May]* 30
'Emphasis' Shifting From Republics to Local Authorities *[SEGODNYA 25 May]* 31
Commentary Supports 'Third Way' on Constitution *[ROSSIYSKIYE VESTI 26 May]* 31
Opinion Poll Shows Support for Yeltsin's Draft *[Moscow TV]* 32

Military & Space Issues

Yeltsin Directive on Commemorating War Victims *[KRASNAYA ZVEZDA 25 May]* 33
Yeltsin Congratulates Border Guards *[ITAR-TASS]* 33
Grachev Signs Directive on Service Contracts *[KRASNAYA ZVEZDA 26 May]* 33
Leaders Assess District, Fleet Combat Readiness *[KRASNAYA ZVEZDA 26 May]* 33
Military Production Conversion Strategy Viewed *[ITAR-TASS]* 34
Details of 'Molniya-1' Satellite Launch Given *[ITAR-TASS]* 34

Economic Issues

Vice Premier Addresses Agricultural Conference *[ITAR-TASS]* 35
Progress of Privatization Process Reviewed *[ROSSIYSKAYA GAZETA 25 May]* 35
State Privatization Program 'By No Means' Fulfilled *[IZVESTIYA 25 May]* 36
End of 'Unnaturally Low' Gas Prices Brings Problems *[IZVESTIYA 26 May]* 36

Supreme Soviet

Constitutional Commission Official on 'Two Drafts' *[Moscow Radio]* 37
Details of Hearings on Draft Constitution *[ROSSIYSKAYA GAZETA 26 May]* 37
Law Adopted on Additions to Criminal Code *[KRASNAYA ZVEZDA 22 May]* 38
24 May Presidium Session Called 'Fruitful' *[KRASNAYA ZVEZDA 26 May]* 38
Savings Bank Vice President Testifies in Committee *[ROSSIYSKAYA GAZETA 25 May]* 39

Regional Affairs

Russian Ministry Staff Fired Upon in North Ossetia *[ITAR-TASS]* 39
Ingush Official Calls Ossetian Letter 'Provocation' *[ROSSIYSKAYA GAZETA 22 May]* 39
Chechnya Referendum on Dudayev Expected To Go Ahead *[ROSSIYSKIYE VESTI 26 May]* 40
Chechen Leaders Try To Ease Conflict Situation *[ITAR-TASS]* 40
Latest Events in Chechnya Reported *[IZVESTIYA 27 May]* 41
Privatization Now 'Irreversible' in St. Petersburg *[Russian TV]* 42
Mordovian President Confident of Support *[ITAR-TASS]* 42
Shakhray Predicts 'Rapprochement' in Talks With Tatarstan *[IZVESTIYA 26 May]* 42
Kalmyk Parliament Debates Constitutional Blueprint *[ROSSIYSKAYA GAZETA 22 May]* 43
Chelyabinsk Governorship Election Protested *[ROSSIYSKAYA GAZETA 25 May]* 43
Komi Company Starts Arctic Oil Privatization Process *[Russian TV]* 43
Toxins Stored in Udmurtia To Be Destroyed There *[KOMSOMOLSKAYA PRAVDA 26 May]* 43
Krasnoyarsk Kray Timber Industry 'Desperate' *[Russian TV]* 44

New Type of Thermal Generator Developed in Far East *[Vladivostok Radio]* 44

UKRAINE

International Affairs

Peace Council, Fund Urge Parliament To Ratify START I *[HOLOS UKRAYINY 26 May]* 45
Russia's Shokhin 'Optimistic' on Economic Cooperation *[ITAR-TASS]* 45
Navy Officers Protest Russian Flags on Black Sea Ships *[UNIAN]* 45
Poland's Walesa, Kravchuk Brief Press on Talks *[Kiev International]* 45
Regional Security Document Presented *[Warsaw GAZETA WYBORCZA 24 May]* 46
Walesa Opposes Security Zone Idea *[Warsaw GAZETA WYBORCZA 26 May]* 47
Walesa 'Not Satisfied' *[Warsaw ZYCIE WARSZAWY 26 May]* 48

CENTRAL ASIA

Kazakhstan

Nazarbayev Addresses Republican Congress of Engineers *[KAZTAG]* 49
Tereschenko Talks With French Business Delegation *[ITAR-TASS]* 49

Kyrgyzstan

U.S. State Department Official Visits Osh *[Bishkek Radio]* 50
Businessmen Condemn Introduction of National Currency *[KYRGYZKABAR]* 50
'Chaos,' 'Suspicion' Over New Currency *[ROSSIYSKAYA GAZETA 25 May]* 50

Uzbekistan

Karimov Comments on Economy, Relations With Russia *[ITAR-TASS]* 50
Karimov Criticizes Kyrgyz Leaders Over New Currency *[UZBEKISTAN APN]* 51
Presidential Edict Creates Space Research Agency *[HOLOS UKRAYINY 25 May]* 51

CAUCASUS

Armenia

President Issues Statement on Peace Plan *[Yerevan Radio]* 52
Deputy Minister Comments on Signing Peace Plan *[SNARK]* 52

Azerbaijan

Gasymov Talks With Envoys on Karabakh Peace Plan *[TURAN]* 52
Further on Karabakh's Rejection of Peace Plan *[ITAR-TASS]* 53
State of Emergency Extended Two Months *[TURAN]* 53
Egyptian Group Meets Deputy Premier, Discusses Ties *[Baku Radio]* 53

Georgia

Shevardnadze Decree Appoints Senior Military Officials *[Tbilisi Radio]* 54
Appoints New Commander of Tskhinvali Forces
[SAKARTVELOS RESPUBLIKA 21 May] 54
Parliament Decrees Adherence to UN Convention on Genocide
[SAKARTVELOS RESPUBLIKA 20 May] 54
Shevardnadze Gives Overview of Abkhazia Conflict *[Moscow TV]* 54
Five Crew Members Killed in Russian Helicopter Crash *[Moscow TV]* 55
Ukrainian Mercenaries Reportedly Brought to Sukhumi Area
[NEZAVISIMAYA GAZETA 25 May] 55

BALTIC STATES

Estonia

Russian Deputy Minister Gives News Conference *[Tallinn Radio]* 56
Views Failure To Arrange Summit *[Tallinn International]* 56
Nation Clashes With Ukraine at Council of Europe Session *[Tallinn International]* 56

Latvia

Swedish Defense Minister Donates Military Equipment
[Stockholm DAGENS NYHETER 18 May] 57
Russian Troop Withdrawal From Valmiera Suspended *[Riga Radio]* 57

Lithuania

Brazauskas Interviewed on Foreign, Domestic Issues *[Vilnius Radio]* 58
Brazauskas Comments on Economic Reforms, Russian Ties *[Russian TV]* 59
Brazauskas on 'Promising' Prospects for Ties With Ukraine *[Kiev International]* 60
Brazauskas Accepts Resignation of Trade, Industry Minister *[Vilnius Radio]* 60
Diplomatic Relations Established With Syria *[Vilnius Radio]* 60

Shaposhnikov Interviewed on Military Reform Plan

MK2605120993 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 22, 30 May 93 (signed to press 25 May) p A8-A9

[Interview with Marshal Yevgeniy Shaposhnikov, commander in chief of the CIS Joint Armed Forces, by Aleksandr Zhilin, MOSKOVSKIYE NOVOSTI military observer; place and date not given: "'Shaposhnikov's Plan' Not Yet Shelved"]

[Text] The Russian Defense Ministry did not support Shaposhnikov's proposals aimed at reforming the Joint Armed Forces at the latest meeting of the Council of CIS Defense Ministers. Nonetheless, the Joint Armed Forces commander in chief still hopes that his plan will be adopted.

[Zhilin] Why was it that your concept drew so vehement a protest from the Russian Defense Ministry? Wasn't it because you suggested that the Joint Armed Forces be set up in the absence of normal national armies? No one in the world, it seems, has ever embarked on this path.

[Shaposhnikov] Indeed, up to the present day joint armed forces have been set up on the basis of full-blooded national armies. This is a classical scheme, but should we blindly emulate it? Our situation is not classical, either. The collapse of the USSR resulted in a process leading in the opposite direction: Joint armed forces are turning into national ones. What is better in this situation, to wait until the breakup is complete or to set up joint structures along parallel lines preserving, as much as possible and utilizing in a rational fashion, the most important components of the systems that had been designed to operate as a single whole and are capable of operating only as such.

[Zhilin] Have you not been late with your proposals?

[Shaposhnikov] I have always argued for maintaining the unity of the main pillars of the joint defense space for some time. During the current transition period, we could have ensured a civilized transition from joint armed forces to national armies.

Alas, this idea has been rejected. General-purpose troops of the Joint Armed Forces that have been mechanically, often arbitrarily, turned into national units and have encountered a large number of new problems in addition to old ones, ranging from social to logistical, operational, legal, and international matters. In the final analysis, the republics themselves have realized that, in order to overcome this extremely difficult situation, we have to join forces.

[Zhilin] MOSKOVSKIYE NOVOSTI extensively reported about your plan in its previous issue. But here is a new objection from Pavel Grachev: "Russia is not against the Joint Armed Forces, but setting them up now would be premature, because it will require enormous extra financing," which, he said, will have to be fully paid by the Russian Defense Ministry.

[Shaposhnikov] Let us consider an elementary example. Let us imagine that, under a national defense doctrine, the Russian Army consists of three divisions for which the requisite money has been appropriated. One of the divisions is placed under the operational command of the Joint Armed Forces commander in chief. Evidently, this will not require additional investment. This is precisely what the proposed principle on the formation of the CIS Joint Armed Forces boils down to, but if Russia is to form its Armed Forces exclusively on its own, the most primitive measures to protect its borders will translate into about 20 trillion rubles—to say nothing of saturating the border areas with weaponry and equipment. The same applies to the other states of the CIS.

We are not intent on creating some artificial structures. Moreover, while arguing for the maintenance of some of the global defense systems of the former Soviet Union, we are in effect saving Russia and the other CIS states the hair-raising and absolutely unjustifiable expenses both in the short run and in the more distant future. This is why we believe it is necessary to create, on the basis of available units, the following operational commands: the "South" Air Defense Command, including Russia, Kazakhstan, and the Central Asian states; and the "Caucasus" Air Defense Command, which would combine the forces and equipment of Russia, Armenia, Azerbaijan, and Georgia. It is worthwhile to consider creating joint ABM and Air Defense Commands tentatively called "West." I think that decisions that, hopefully, will be made by the Council of Heads of States of the CIS in July would open up the prospect for moving in precisely this direction.

[Zhilin] But if these plans still have to be shelved until full-blooded national armies are formed...

[Shaposhnikov] It would be a pity. What does it mean, for instance, for the Central Asian countries to create "full-blooded national armies" from scratch? It is perfectly clear that some of them are objectively unable to cope with this task without resorting to help from other countries outside the CIS. This assistance will have to be paid for, if not with money, then with their independence.

There is another side to the problem. If the republics of the former USSR start looking for help outside the CIS, the East Europeans will begin drifting toward NATO. Even at present we feel the desire on the part of Turkey, Iran, and Pakistan to exploit what they perceive as an emerging "geopolitical vacuum" to strengthen and broaden their influence on the Transcaucasus and Central Asia. Given that each of these states has completely different interests, we will in no time find ourselves among new military-political blocs, alliances, and groupings within the CIS. Zones of rivalry are bound to emerge, which will give a powerful boost to instability.

As a result, the states of the former USSR will join an arms race against each other. Furthermore, if this insane marathon is dangerous for the world community, it will be economically fatal for its participants.

[Zhilin] The plans are that the CIS Joint Armed Forces are to include peacekeeping forces. With what functions will they be entrusted?

[Shaposhnikov] Yes, we have envisioned the creation of a force that will deal with the settlement of conflicts within the CIS. The emphasis is put on the political solutions to the problems, but an effective mechanism is also essential to regulate conditions on which peacekeeping forces could be brought in: the withdrawal of the combatants from combat positions, control over ceasefires, measures to deter the extremist forces trying to thwart the implementation of agreements, etc. My dream is to set up an interstate military and political body within the CIS that would symbolize the indivisibility of the historical fortunes of the CIS peoples, the unity of combat traditions of their defenders, and the reliability of their joint defense and collective security system.

Tajik Official on Border Troops Pact With CIS

LD2505133493 Moscow ITAR-TASS World Service in Russian 1237 GMT 25 May 93

[By ITAR-TASS correspondent Andrey Naryshkin]

[Text] Moscow, 25 May—"The agreement on strengthening the sector of the state border with the Republic of Afghanistan, concluded by the heads of signatory states of the Treaty on Collective Security, is being implemented in full measure only by Russia and Uzbekistan." This was stated to the ITAR-TASS correspondent today by Mukhamad Said Ubaydullayev, deputy chairman of the Council of Ministers of Tajikistan, after signing a bilateral agreement on the legal status of Russian border troops stationed on the territory of the republic, in the Kremlin.

As you know, on 22 January at the Minsk summit of the Commonwealth, the heads of the six states who initialed the Treaty of Collective Security made the decision to each send to Tajikistan one motorized infantry battalion of 500 men each, but only Russia and Uzbekistan, bearing the brunt of the defense of the Tajik-Afghan border, have allocated additional units to strengthen the border troops. Uzbekistan is giving the border air cover.

The strengths of the Russian border troops and motorized infantry operating in coordination with the brigade of special forces of the Committee of National Security of the Republic of Tajikistan are insufficient to reliably cover the 2,000-km border throughout its length, the deputy prime minister stressed. "We would like other states of the Commonwealth to give real help too, as soon as possible, and ensure the dispatch of their battalions," he said.

"The agreement signed today by the leaders of Russia and Tajikistan on the status of the border troops lays a good legal foundation for successful resolution of issues of guarding our border with Afghanistan, the security of which is one of the military-political priorities for all states of the Commonwealth," Mukhamad Said Ubaydullayev concluded.

Black Sea Sailors Urge Confirmation of Status

PM2605125993 Moscow Ostankino Television First Channel Network in Russian 0500 GMT 25 May 93

[From the "Novosti" newscast]

[Text] The situation in the Black Sea Fleet is again attracting the attention of politicians and journalists. According to ITAR-TASS, 127 ships and vessels of the Black Sea Fleet are under the Russian Navy's flag today. A rally in Sevastopol adopted an appeal to the Russian parliament containing a demand to confirm the Russian Federation's jurisdiction over Sevastopol as the Black Sea Fleet's main base. An officers' meeting of the fleet's Submarine Division appealed to the presidents of Russia and Ukraine to hold a meeting in Sevastopol together with the chairman of the Crimean Supreme Soviet. Resolutely condemning the Ukrainian Navy's actions in violation of the Yalta Accords on the fleet, the Submarine Division officers' meeting declared their right to take adequate measures.

'Latest Events' Surrounding Black Sea Fleet

PM2605131193 Moscow KRASNAYA ZVEZDA in Russian 26 May 93 p 3

[Correspondent Aleksandr Pilipchuk report under the "Events and Commentaries" rubric: "What Is Strengthening the 'Wind' in Sevastopol? Ukrainian Defense Minister Requests Secondment of Northern Fleet Admiral to His Command"]

[Text] When you reflect on the latest events surrounding the Black Sea Fleet, you cannot help but recall the fictional character who thought that the wind blew because the trees shook. I think that the "wind" of confrontation which is gathering strength on the Black Sea's shores is not blowing because St. Andrew's ensigns are fluttering above 115 warships and auxiliary ships. Admiral Igor Kasatonov, former Black Sea Fleet commander, considers that the Russian military ensign was hoisted as a reaction to the actions of destructive forces in the Ukrainian Defense Ministry.

The first deputy commander in chief of the Russian Federation Navy stated this in an interview with an RIA correspondent 24 May. The question of the fleet, Kasatonov emphasized, should be resolved at the interstate level and the Ukrainian Ministry of Defense should abandon its categorical claims to it.

In this connection many experts are today attempting to "figure out" the Ukrainian Defense Ministry's latest

move. We were informed at the Navy's Personnel Directorate that the Ukrainian defense minister has asked the Russian Federation defense minister to second his command Vice Admiral Vladimir Bezkorovaynyy, a submarine flotilla commander in the Northern Fleet (the vice admiral was once considered as a candidate for the post of commander of the joint Black Sea Fleet).

Does this mean that the Ukrainian military department is dissatisfied with the actions of Vice Admiral Boris Kozhin, the current commander of the Navy, who is continually initiating unilateral actions against the Black Sea Fleet, and is preparing to replace him? Or is it searching for someone who could steer an even harsher course of a confrontational type?

The question of seconding Vice Admiral Bezkorovaynyy to Ukraine is being examined, but he himself is on leave at the moment.

Industrial Chiefs To Analyze Kazakhstan's Industry

LD2705104393 Moscow ITAR-TASS in English 0808 GMT 27 May 93

[Text] Moscow May 27 TASS—Oleg Soskovets, first deputy chairman of the Council of Ministers - government of the Russian Federation, will participate in a conference of chiefs of the industrial complex of member states of the Commonwealth of Independent States (CIS), as well as of Azerbaijan, Georgia and Estonia. The meeting will be held in Karaganda from May 28 to May 29. This was announced by the press centre of the Council of Ministers - government of the Russian Federation.

One of the main themes of the conference will be the discussion of the present state and problems of Kazakhstan's industrial complex.

The meeting will be opened by Kazakhstan's President Nursultan Nazarbayev. Kazakhstan's Minister of Industry A. Salamatin will sum up the main problems of Kazakhstan's industrial development. The participants in the conference are expected to sign a package of documents on May 29.

Participants in the meeting will also familiarise themselves with the work of main enterprises of Kazakhstan's key industries.

Interparliamentary Assembly Adopts Three Documents

PM2505133193 Moscow IZVESTIYA in Russian 25 May 93 First Edition p 2

[Sergey Krayukhin report: "Parliamentarians Attempt to Harmonize CIS Countries' Legislation"]

[Text] St. Petersburg—The third plenary session of the CIS States' Interparliamentary Assembly was held at the Tauride Palace 23 May. It was attended by delegations from the Russian Federation, Belarus, Kazakhstan, Kyrgyzstan, Armenia, and Tajikistan. The Uzbek delegation was absent. Parliamentarians from Ukraine, Moldova, and Azerbaijan attended as observers.

The current meeting was prepared by the work done by the heads of the Interparliamentary Assembly standing commissions, who had spent a week drawing up draft documents. As a result, the parliamentary delegations were able to make judgments about more than 20 points on the agenda.

One of the central points in the discussion was the legislative act on the principles of regulating information relations between the Interparliamentary Assembly states. In the extensive final document, which stretched to eight pages, the sides reached agreement on removing the bans on exchanging information on natural disasters and catastrophes, including environmental disasters. Nor will there be any ban on information on cases of violations of the law by state organs and officials, decrees on the granting of privileges to citizens, or political reprisals against specific individuals.

The document "On Customs Work" was adopted. The CIS countries' parliamentarians advocated using the international documents regulating customs services when setting up such services in their own republics.

Unlike the two previous Interparliamentary Assembly sessions, which adopted just two recommended acts of legislation, this session was able to adopt three, including "On Foreign Investment." Stressing this document's importance, Ruslan Khasbulatov, speaker of the Russian Federation Supreme Soviet, who took part in the third session, said that it would promote the stabilization of the ruble and improve its exchange rate. The current rate, in his opinion, is artificially low—15-20 times below what it should be. Agreement was not reached on the key question on the agenda of protection for ethnic minorities. The Armenian delegation participants and the observers from Azerbaijan thought that it had not been sufficiently prepared.

The third Interparliamentary Assembly session has demonstrated the parliamentarians' definite desire to avoid—as one speaker put it—a "parade of laws" and to embark on the path of gradually harmonizing legislation in the Commonwealth countries.

Four Former USSR Republics Become IOM Observers

LD2705062693 Moscow ITAR-TASS in English 0543 GMT 27 May 93

[By ITAR-TASS correspondent Konstantin Pribytkov]

[Text] Geneva, May 27 (TASS)—Four former USSR republics—Georgia, Kyrgyzstan, Moldova and Ukraine, have been granted the status of observers at the International Organisation for Migration (IOM). This decision was taken at the special session of the IOM council held

here on Wednesday [26 May]. This status was also granted to Ireland, Slovakia, Sudan and Czechia. Albania was admitted to the IOM to become its 49th full member.

The growth of the number of participants is being regarded at the IOM as a positive factor stimulating a more effective fulfilment by the organisation of its main function, which is to promote regulated migration. This status which now 40 countries have, including Russia, makes its possible to study the activities and experience of the IOM, in order to tackle more effectively their own migration problems.

ITAR-TASS Carries Press Review for 26 May

LD2705062093 Moscow ITAR-TASS in English 0532 GMT 26 May 93

["Press Review"—ITAR-TASS headline]

[Text] Moscow, May 27 (ITAR-TASS)—Preparations for the constituent conference, scheduled for June 5, is in the focus of attention of today's newspapers. KOMSOMOLSKAYA PRAVDA points out that the president's task at the Wednesday meeting of heads of the constituent republics of the Russian federation was to enlist their support. In the opinion of the newspaper, the task was reached only by 50 per cent. "The resolution adopted by the Council of Heads of the Republics expressed agreement with the idea of holding the constituent conference, but did not give any indication that only the president's version would be discussed," the newspaper writes. It reports that Chairman of the Russian Parliament Ruslan Khasbulatov plans to convene an All-Russian Conference of People's Deputies of all levels (about 2,000 people) and to enlist their support. According to KOMSOMOLSKAYA PRAVDA, this decision is the result of the misgivings that "the president's side will go on with its tactics of ignorng the parliament's draft constitution."

PRAVDA writes with reference to the "confidential information" received by its editorial board that the heads of 16 Russian constituent republics "rejected the president's draft constitution and said that the finishing without delay of the drafting of laws and resolutions, providing for the implementation of the federal treaty, is an indispensable condition."

TRUD carries a short article about preparations for the constitutional conference, in which it writes that "the working out of a single and coordinated draft constitution of the Russian Federation, as well as mechanisms of its adoption" should be its main task.

KOMSOMOLSKAYA PRAVDA publishes an interview with Nikolay Ryabov, one of the deputy chairmen of the Russian Parliament, who said that "people's deputies have not exhausted their potential and could well take part in the constitutional conference." Ryabov believes that the only way now is to work out a single draft constitution, which would take into account all the best there is in the president's and parliament's draft constitutions. The newspaper recalls that Ryabov, who was known before for his statements at congresses of people's deputies which were strongly critical of President Yeltsin, surprised a lot of people recently, when he resolutely supported the president's idea of convening the constitutional conference.

SOVETSKAYA ROSSIYA reprints from the SOVETSKAYA CHUVASHIYA newspaper an interview with Nikolay Fyodorov, who resigned recently from the post of the minister of justice of the Russian Federation. Responding to the question on what he thought about the recently published new draft constitution, Fyodorov said that "it has no special foundation, it is not very promising and has no real prospects of being adopted."

NEZAVISIMAYA GAZETA analyses the treaty of friendship, cooperation and mutual assistance between Russia and Tajikistan, signed on May 25. It points out that the treaty is far less advantageous to Russia than to Tajikistan. Previously, before the treaty was signed, the Tajik authorities were afraid of taking too tough measures against their opponents inside the country. Now the obstacles have been removed. "Russian servicemen say that the current situation in Tajikistan is a carbon copy of what was taking place in Afghanistan: Russian troops in the valley and guerrilla fighters in the mountains. Moreover, some of them are Afghans. There can hardly be any two opinions about what the war in Afghanistan was. Now Russia, which has signed a document on cooperation in the military sphere, is being drawn more and more into another war," the newspaper points out.

The press reports that the Nagorno-Karabakh Republic is refusing to sign the conflict settlement plan, submitted by Russia, the United States and Turkey, on the grounds that it does not guarantee the security of the republic's population. Arif Aliyev, head of the press service of the Azeri president, said in an interview with NEZAVISIMAYA GAZETA that "all reports about differences between Yerevan and Stepanakert over the peace plan are at variance with the real situation."

KRASNAYA ZVEZDA published fragments from memoires of Andrey Alexandrov-Agentov, who died recently, entitled "Brezhnev and Khrushchev". Alexandrov-Agentov was adviser to USSR Foreign Minister Andrey Gromyko and later assistant to four general secretaries of the CPSU Central Committee—Leonid Brezhnev, Yuriy Andropov, Konstantin Chernenko and Mikhail Gorbachev.

U.S. Opposition to Russian Arms Sales Economically Based

PM2605131193 Moscow KRASNAYA ZVEZDA in Russian 22 May 93 p 4

[Aleksandr Yegorov report: "'What Do You Want With 1 Million, Kisa?'"]

[Text] A briefing on questions of the arms trade at the Russian-U.S. Information Press Center opened on a happy note. A report by one of the U.S. participants about an ammunitions production facility they visited the previous day that is now producing plastic lipstick cases instead of cartridges for small arms caused all those present to laugh together. The imperishable phrase of the great O. Bender [swindler in Ilf and Petrov story who strives to become a millionaire] came to mind when Andrew Pierre, a U.S. expert from the Carnegie Endowment for International Peace, voiced an opinion along the lines that the solution to the problems of converting the Russian military-industrial complex certainly does not lie in selling weapons abroad, for the necessary quantity of currency will not be earned in this way.

He cited figures as proof: In the USSR's best year for exports—1986—weapons earned $29 billion, compared to last year when it was only approximately $3 billion. But conversion will require hundreds of billions. He warned that if the Russians still do not abandon their attempts but enter the market, then a crisis in Russian-U.S. relations cannot be ruled out.

A more famous colleague of Andrew Pierre—Geoffrey Kemp, who until recently advised the U.S. president on questions of arms sales—did not predict a crisis. He sees the problem not so much in arms sales as in the spread of certain types of technology. Particularly nuclear technology, but also submarines, "air to surface" missiles, and the latest aircraft. The expert sees the purpose of the "game" between the United States and Russia as being to set ceilings on the number of weapons sold.

There is no arguing with this. Nor with the fact that arms must not be supplied to countries on which corresponding bans have been imposed by the international community, or the fact that rigid state control over arms exports is needed. It is also possible to agree with the guests' assessment that our positions in the arms trade, despite low prices and good quality, are more vulnerable than European and transatlantic positions because of political instability inside the country and poor client servicing. You were left with the general impression from the briefing, however, that on the one hand a politician and on the other an economist were trying their hardest to persuade Russian arms manufacturers not to sell their products abroad. And, if they do, to sell just a little, and preferably not aircraft and submarines but, for example, automatic pistols. Why?

This question was answered indirectly by Andrew Pierre, who stated that in issues of arms sales President Clinton will act on the basis of the interests of the U.S. economy. Having promised during the election campaign to reduce military spending, Clinton is obliged to struggle to increase arms exports in order to preserve jobs. Russia poses no direct threat to the U.S. market today, but there is a precedent—the purchase of BMP-3 infantry fighting vehicles by the United Arab Emirates and the success at the Abu Dhabi exhibition. What will happen tomorrow is a question to which we should prepare the answer today. Particularly when you take into account the fact that just 10 percent of the export potential of the Russian military-industrial complex has been mobilized.

In short, you do not have to have the wisdom of Solomon to realize why the United States dislikes Russia's aspirations for the international arms market.

Here I must mention a nice story told by the Americans at the briefing: In the office of a recent U.S. leader, a sign always hung in a prominent place: "The economy, stupid!"

Churkin Gives News Conference on Bosnia

AU2705093193 Zagreb DANAS in Serbo-Croatian 21 May 93 pp 40-41

[Igor Nekrasov report: "Let's Go to the Balkans"]

[Text] Vitaliy Churkin, special envoy of the president of Russia in the peacekeeping process in Bosnia-Herzegovina, gave a news conference in Moscow after returning from Zagreb. DANAS correspondent in Moscow has made a selection of interesting questions and Churkin's answers.

[Unidentified Reporter] Boris Yeltsin outlined a new initiative for settling the crisis in Bosnia-Herzegovina. What are its special features?

[Churkin] The main goal of the initiative is to settle the war in Bosnia-Herzegovina by consistent implementation of the Vance-Owen plan. The approach is based on a series of well-known factors from the previous period. First of all, we have to emphasize the new standpoint of Belgrade, as stated in the message by the Presidents Cosic, Milosevic, and Bulatovic for the Bosnian Serbs at the end of April, and in the recently adopted Declaration on Peace at the meeting of Serbian Assembly. That standpoint is also evident in the decision by Belgrade to limit the supply for the Bosnian Serbs to medical supplies and food only. Another positive factor is the creation of safe areas in Bosnia. With the active participation of Russia in the Security Council, an appropriate resolution was adopted. Until now those areas have worked well in the areas around Srebrenica and Zepa. Several other safe areas will soon be created in Bosnia, as well as in Sarajevo. I met with General Morillon in Sarajevo and I would like to emphasize his optimism concerning the creation of such areas, although it is obvious the Security Council has to keep making efforts.

There is also a positive side to the cease-fire, which, in spite of several outbreaks of violence, is holding in Bosnia-Herzegovina. The latest conflict between the Croats and the Muslims in central Bosnia constitutes a certain deviation and Moscow is seriously concerned about that.

After the negotiations with President Tudjman and President Izetbegovic, attended by the co-chairmen of the peace conference, we hope the bloodshed and ethnic cleansing in central Bosnia will stop. Boris Yeltsin ordered the Russian foreign minister to carry out a series of consultations. On Monday, Andrey Kozyrev departed from the government Vnukovo 2 Airport on a short but unusually intensive trip. He will meet his counterpart Kinkel in Berlin. On Tuesday morning he will meet with President Tudjman and Izetbegovic in Split, and then he will go to Belgrade to see Cosic, Milosevic, and perhaps even Bulatovic. For the first time this year Kozyrev has hopes that, at the new meeting in Belgrade, he might create a "Yugoslav factor" in favor of peace. On Wednesday he will meet several western foreign ministers in Rome, on Thursday he will arrive in Washington to talk to the U.S. Government. Officials in Moscow consider that the cooperation of Russia with the United States has an important role in solving the Bosnia-Herzegovina crisis. They have been conferring all the time and now they have an opportunity to directly evaluate a series of current questions. Moreover, Minister Kozyrev proposes to meet his counterparts from the countries of the Islamic Conference. The meeting was already called for by those ministers before.

[Reporter] The main event will happen in New York, where a meeting of the Security Council on the level of foreign ministers is planned. It has been planned for a long time, and a Russian representative is the chairman of the Security Council now. What will the meeting result in?

[Churkin] The settling of the situation in Bosnia- Herzegovina will be the central issue. Two draft resolutions will be proposed to the Security Council: on an international war tribunal for investigating war crimes on the territory of former Yugoslavia, and on deploying observers along the borders of Bosnia-Herzegovina, including those with Croatia. During the two talks with President Tudjman in Zagreb, we reached such an agreement in principle. At the meeting of the UN Security Council, the resolution concerning the consistent implementation of the Vance-Owen plan must be given the most important place. Since there are a few "unproblematic areas" in Bosnia-Herzegovina, those areas could become models for the rest. Administrative bodies could be set up there even today. The Bosnian Serbs might also adopt such a consistent implementation of the Vance-Owen plan. Their leaders should refrain from making irresponsible statements like the one that "the Vance-Owen plan is dead." However, the Vance-Owen maps, after all, officially refer to the borders as temporary. If they want, the Serbs in Bosnia, as one of the Bosnia-Herzegovina nations, could find some positive sides to the plan if it is realized. The Serbs must understand that the plan does not threaten them in any way but that it offers a possibility for peace. Naturally, with the present condition of Serbian exultation, no one will be surprised by a decisive outcome of their referendum.

[Reporter] The Bosnian problem has overshadowed the situation in the Serbian Krajina. You managed to visit Knin, also. What does Russian diplomacy suggest regarding the solution of that problem?

[Churkin] We managed to convince both sides to have the representatives of Zagreb and Knin meet in order to evaluate the question of the security in those areas. We hope they will agree to refrain from provocations during the talks.

[Reporter] What is Russia's view about a possible military involvement in the Bosnian conflict?

[Churkin] In the process of consistent implementation of the Vance-Owen plan, the international community must be sensitive, but also firm. It must be especially firm regarding the violations of its decisions by any of the belligerents that would try to stop the peace process. Within the framework of such an approach, the UN Security Council may consider implementing necessary measures, including all possibilities. They will try a whole array of measures, but it is now difficult to say which will prove most effective.

Mig-23's To Be Withdrawn From Kuril Island

LD2705084793 Moscow Programma Radio Odin Network in Russian 0730 GMT 27 May 93

[Text] Russia is withdrawing its Mig-23 fighters from Iturup, one of the disputed Kuril Islands, the newspaper ASAHI reported, quoting Japan's Defense Department.

Gaydar in Tokyo, Cited on Domestic Situation

PM2705112993 Moscow IZVESTIYA in Russian 27 May 93 First Edition p 3

[Report by Sergey Agafonov: "Gaydar Is Gaydar Even in Japan"]

[Text] Tokyo—Yegor Gaydar has arrived in Tokyo at the invitation of the ruling Japanese Liberal Democratic Party and the Japanese Foreign Ministry. His program includes many meetings with eminent party and government officials and representatives of business circles, speeches to a selected audience behind closed doors, and a mass of corridor meetings which are of equal interest to the hosts and their guest.

As far as is known, various problems are being discussed with the former head of the Russian cabinet, now an adviser to the president—problems concerning not only the economy, which is close to Gaydar, but also politics, the domestic Russian situation, and prospects for advancing the cumbersome bilateral dialogue. For the Japanese, Gaydar's arrival provides an opportunity to

find out what is really happening in Russia, and for the Russian side, despite the unofficial nature of Gaydar's mission, there is also a chance of some importance of imparting to Tokyo some fundamental nuances of its own position.

Gaydar remains Gaydar even in Tokyo, so that we should not expect him to make sensational statements for public consumption or meaningful reservations. But with regard to a number of elements the theses of the president's present adviser are of great note. Thus, as far as is known, Gaydar explained quite frankly to the Japanese side that it should not have any illusions regarding a drastic and swift "breakthrough" on the well known territorial issue. As long as the overwhelming majority of Russian public opinion has a negative attitude toward the prospect of resolving the territorial quarrel in accordance with the Japanese scenario, it is pointless and counterproductive to address the territorial issue with any degree of persistence. Linking the entire complex of bilateral relations to progress in the territorial debates is also pointless since there is then no reason for expanding contacts and bringing them to a new level. The train of thought is not very fresh, but considering the summit visit which has yet again been suspended it implies the prospect of a "termless deferment" of Yeltsin's arrival in Tokyo.

Another element concerns economic aid to Russia from the West in general and Japan in particular. As a professional in delicate economic matters Gaydar has also urged the Japanese to look at the problem professionally—to renounce propaganda operations calculating the sums promised to Russia and to concentrate on precise, specific avenues along which real aid and participation could be implemented. The Russian guest, incidentally, did everything to avoid the word "aid," rightly noting the difference between charity and the forms of business partnership implied by the Western "package" for Russia. No one has any intention of handing out free billions for Russian reforms, it is mainly a case of credits in various forms on a more or less preferential basis and that means that it is no longer a pattern of giver and taker but a completely different category of relations—relations of strictly businesslike and equal collaboration. There is no question of any particular sacrifice on the part of the creditors, still less of any handouts here, so that the political demonstration of the readiness to help Russia does not fit in with economic realities in all respects.

In addition, Tokyo paid great attention to Gaydar's political forecasts, in particular the thesis that in Russia the main, basic political problems in the country have not yet been resolved and the question of the direction in which Russia will ultimately go remains topical. Actually, according to Gaydar the choice is not great—either joining the civilized democratic community or the option of a political and economic system like Iraq's. That choice, the Russian guest said, should be made quite soon and to a decisive extent at the next elections to parliament.

Not for the Japanese this time but in a talk with IZVESTIYA, Gaydar did not conceal the fact that he is preparing in earnest for the future political battles. "I see one task—forming a political alliance which would unite the reformist forces," he said. "I am not engaged directly in party building but I am trying actively to help this important matter." Regarding rumors that he will rejoin the cabinet of ministers Yegor Timurovich suggested that we should have a laugh together and added that right now only a less than sane person could be attracted to such a prospect. Gaydar tried to avoid mentioning the government itself and to a request to comment on the appointment of Lobov as minister of the economy he sighed heavily and said enigmatically that everyone has known Oleg Ivanovich for a long time and too well.

"But in general," Gaydar noted, "Russia does not need that much for future prosperity. Five or six years of peaceful development without upheavals or drastic moves. The most unpleasant and hardest things are already behind us. People have as a whole been able to adapt to the new economic conditions and it is not only the rhythm of life but, if you like, the point of life itself that has changed. Of course, there are a million problems but they are soluble and with every year lived peacefully, without political upheavals, these solutions will become easier. Of course, there are no guarantees and no one can give them, but it is already obvious that the new Russia has every chance of coming into being. It is just as obvious that today the situation in the country cannot be returned instantly to former times through willing it so..."

Defense Minister Talks With South Korean Ambassador

LD2605132693 Moscow ITAR-TASS in English 1158 GMT 26 May 93

[By ITAR-TASS correspondents]

[Text] Moscow May 26 TASS—Russian Defence Minister Army General Pavel Grachev today met South Korean Ambassador Kim Sok-kyu at his request.

The conversation, held in a warm, friendly atmosphere, centered around ways of consolidating security in the Asia-Pacific region and the world and developing comprehensive cooperation between the Russian Federation and the Republic of Korea, including in the military field, according to the press office of the Russian Defence Ministry.

DPRK Envoy Says United Kingdom, France Threaten Peace

SK2705014393 Moscow Radio Moscow in Korean 1000 GMT 26 May 93

[Text] A news conference was held at the DPRK Embassy in Moscow on 25 May. DPRK Ambassador Son Song-pil stressed to Russian reporters that the situation surrounding the DPRK is still acute because of

the International Atomic Energy Agency's plan to inspect the Yongbyon nuclear complex as soon as possible and because of the stir over the DPRK's decision to withdraw from the Nuclear Nonproliferation Treaty.

Ambassador Son said that while attempting to put pressure on the DPRK, some Western countries—like the United Kingdom and France—have been cooperating with Japan and the ROK in their nuclear armaments. According to him, Western countries have provided Japan with enough plutonium to produce 10,000 nuclear bombs. The United Kingdom and the ROK have signed an agreement on cooperation.

Ambassador Son (?denounced) the ROK and the United Kingdom for conducting business that threatens the peace and security of the Korean Peninsula and of the world at a time when the DPRK and the United States are planning to hold talks to discuss the prevailing situation.

Russian Delegation Meets Vietnamese Entrepreneurs

LD2605152793 Moscow ITAR-TASS in English 1307 GMT 26 May 93

[By ITAR-TASS correspondents Aleksandr Denisovich, Igor Shubin]

[Text] Hanoi May 26 TASS—A delegation of the Russian government, led by Deputy Chairman of the Council of Ministers Yuriy Yarovoy, currently on a visit to Vietnam, met with representatives of Vietnamese companies, firms and associations on Wednesday [26 May] to discuss problems and ways of further development of contacts between the two countries.

The Russian delegation arrived at a unanimous conclusion that the mutual decline in trade turnover between Russia and Vietnam over the past few years was caused by the fact that both states were going through hard times in connection with the transition to the market economy and the reformation of their systems of foreign trade. All these factors have brought about the deterioration of previous rather efficient economic contacts between Vietnam and the former Soviet Union.

Vietnamese entrepreneurs asked the Russian guests numerous questions they were interested in. Some of these questions concerned difficulties connected with the purchase of metal, chemical fertilizers and different kinds of raw materials in Russia, the presence of numerous mediators when making transactions and the violation by Russian representatives of previously signed contracts.

Taking into account remarks made by the Vietnamese side, the head of the Russian delegation and other Russian officials drew the attention of Vietnamese businessmen to the fact that they should be more careful when choosing their potential partners in Russia and carry out concrete work with immediate manufacturers of concrete goods Vietnam is interested in. Russian officials recommended that Vietnamese entrepreneurs establish direct contacts with Russian regions, which have received broad foreign economic rights by now, including export licenses.

Participants in the meeting expressed the hope that the work, carried out by the Russo-Vietnamese Intergovernment Commission for Economic, Scientific and Cultural Cooperation for strengthening business contacts at various levels, enables the two countries to find mutually acceptable solutions to eliminate the existing difficulties in the economic cooperation.

Officials Hold Talks To Aid Tkvarcheli, Sukhumi Populations

LD2705094493 Moscow ITAR-TASS in English 0809 GMT 27 May 93

[By ITAR-TASS correspondent Irina Shchogoleva]

[Text] Sochi May 27 TASS—Officials of the Russian Emergency Situations Committee are today meeting representatives of the Georgian and Abkhazian sides in Adler (Russia) to agree on humanitarian aid to the besieged town of Tkvarcheli and on the evacuation of old people, women and children from Tkvarcheli and Sukhumi.

"The conceived action should serve as a prologue for a military and political settlement in Abkhazia," ITAR-TASS was told before the meeting by First Vice-Chairman of the Russian Emergency Situations Committee Yuriy Vorobev. "We have obtained, in principle, the consent to launch such an action from the Georgian Ministry of Foreign Affairs and the Abkhazian leadership. Now we have to settle many organisational matters linked with it."

According to Vorobev, presidential envoy, Deputy Foreign Minister of Russia Boris Pastukhov will take part in the Adler negotiations.

Tighter Controls on Georgian Border Explained

PM2605131193 Moscow KRASNAYA ZVEZDA in Russian 26 May 93 p 1

[RIA report: "Russian-Georgian Border Tightened"]

[Text] Vladimir Vasilyev, chief of the "Psou" post, said that passports will be checked and transport examined when crossing the border to implement the Russian president's edict "On Measures To Stabilize the Situation in Krasnodar Kray."

In addition to a passport, citizens of third countries crossing the border must present the appropriate permit from the Russian Foreign Ministry. Russian citizens need to present written authority for travel.

Russian Ships at Kerch Naval Base Hoist St. Andrew's Flag

LD2605133993 Moscow ITAR-TASS in English 1047 GMT 26 May 93

[By ITAR-TASS correspondent Roman Zadunaiskiy]

[Text] Moscow May 26 TASS—Fourteen ships and vessels of the 132nd Logistic Division from the Kerch-Feodosia naval base of the Black Fleet hoisted St. Andrew's flags on Wednesday morning, ITAR-TASS learnt at the fleet headquarters.

All in all, 158 ships of the Black Sea fleet hoisted the St. Andrew's (Russian naval) flag between May 18 and May 26.

As was the case on the previous days, the Black Fleet ships raised St. Andrew's flags today in protest against continued lop-sided actions by the Ukrainian Defence Ministry re-subordinating Black Sea warships and units.

The crews also protested the inconsistent policy towards Black Sea sailors, the unsettled situation on the status of the fleet and personnel and the introduction of duel citizenship in the Crimea.

Black sea servicemen are also dissatisfied with the size of monetary allowances paid to them according to Ukrainian rates, which is much lower than Russian and puts commissioned and non-commissioned officers (in their opinion) below the poverty line.

Servicemen also demand that order No. 025 of the Russian Defence Minister on raising monetary allowances to servicemen be spread to the Black Sea. They also demand that their payments in coupons be brought in line with the rouble's true rate.

Analysts note that St. Andrew's flags were hoisted so far only by Black Sea logistic and support ships. They point to a wise containing position taken by the Black Sea command, as a result of which warships refrain from raising St. Andrew's flags.

Incidentally, some St. Andrew's flags hoisted on Black Sea ships were sanctified by Washington Archbishop Vasiliy Rodzyanko (grandson of the Russian imperial State duma speaker) on Cyril [as received] and Method Day.

Leaders of Border Regions With Ukraine To Cooperate

PM2605123993 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition p 1

[Viktor Chemodurov report: "Russia-Ukraine: Will Neighbors Be Allowed To Live As Neighbors?"]

[Text] Belgorod—Leaders of the neighboring oblasts of Russia and Ukraine are set to appeal to their parliaments, presidents, and governments in the very near future with an official letter. The draft of this appeal was drawn up Thursday at the action group's conference in Belgorod. Once it has been signed by the oblast soviet chairmen and administration heads, the agreed document will be sent to six addressees—three in Russia, and three in Ukraine.

On this occasion, the Belgorod meeting involved deputy heads of administrations and staffers from the economics committees of eight oblasts: Belgorod, Bryansk, Kursk, Voronezh, and Rostov on the one hand, and Kharkov, Lugan, and Sumy on the other. They composed a rough copy of a "petition" to the supreme authorities. So what exactly does the Russian-Ukrainian border community want to say?

Well, in essence, they want to say what two indigenous peoples can say without any kind of referendum. If someone were instantly to solve the problems of the border region today, then tomorrow the border region's border region would bring them up, because there are no geographical specifics to these problems. It is simply the custom that those who are suffering the most at any given moment take the floor first.... The letter draws attention to the fact that the oblasts listed, which have a common border stretching over 1,500 kilometers, are suffering, to a tremendous degree, from the disruption of mutually beneficial economic links forged not just over decades, but over centuries. The lack of coordination in the two states' financial systems has led to a virtual halt at the present time to the practice of mutual accounting between enterprises with a vital interest in each other's output.

Obviously, the statement of the difficulties adversely affecting Ukrainians and Russians to an equal degree aims to do more than just bring tears to the eyes of the two countries' parliamentarians and rulers. Will it succeed? Similar efforts were undertaken previously, but, alas, without success. At one time ROSSIYSKAYA GAZETA reported on a meeting in Belgorod of industrialists and entrepreneurs from Russia and Ukraine organized by their respective republic unions. At that time, in October last year, managers bemoaned the same situation and formulated essentially the same proposals, but what has changed?

Azerbaijan Faces Difficult Decision Over 'Saboteurs'

PM2605144793 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 2

[Sokhbet Mamedov report: "Interparliamentary Commission Can Decide Fate of Servicemen Sentenced To Be Shot"]

[Text] Baku—Azerbaijan Supreme Soviet Chairman Isa Kamberov has advanced an initiative to set up an interparliamentary commission jointly with Russia to finally decide the fate of the five 7th Army servicemen sentenced to death by the military collegium of the republic's Supreme Court.

Meanwhile the president of Azerbaijan is continuing to receive letters and appeals from Russian state and public organizations asking him to pardon K. Tukish, M. Listovoy, Ya. Yevstigneyev, A. Filippov, and V. Kudinov and to hand their case over to Russian justice. The flood of letters and appeals to the president has evidently been caused by the fact that, first, under the Azerbaijan Republic Constitution the president has the right to intervene in the course of events and to pardon those sentenced to the supreme penalty; and second, account is probably being taken here of the fact that the president of Azerbaijan has always opposed the death penalty, although in this instance it will be very difficult for A. Elchibey to venture on such a step.

The point is that people in Azerbaijan are of the opinion that Russia's public is being deliberately misled by the definition of the nature of the crime committed by six 7th Army servicemen. The somewhat oversimplified view proposed in the appeals of the ways to resolve this rather complex problem and the attempt by a majority of Russian publications, news agencies, and television and radio companies to portray the convicted men as victims have elicited a complex response among the republic's population. People in Azerbaijan believe that the time has come to call things by their proper names. Namely, the servicemen sentenced to be shot and their commanding officer are saboteurs.

This is borne out by the facts: The six Russian citizens serving in Yerevan, in a separate special-purpose company of 7th Army airborne troops, were caught red-handed committing a crime. The fairness of the sentence passed was reaffirmed in a statement by the Azerbaijan General Prosecutor's Office. The evidence collected during the investigation and the convicted men's own admissions attest, the document states, that "they committed their criminal acts on Azerbaijani territory jointly with Armenian armed formations with the knowledge of their unit's command." In any case, as the statement points out, "their lengthy absence from the subunit was not noticed even when they were at a sabotage training center located near Khankendi and were participating in sabotage and combat operations in Karabakh and the Azerbaijani rayons adjacent to it." For precisely eight months the Russian military department was indifferent to the fate of its employees. Understandably so, since a state which has chosen a democratic path of development cannot openly rise to the defense of criminal saboteurs. Nor do the convicted servicemen hold the status of prisoners of war, since they are citizens of a state which is not at war with Azerbaijan.

Nonetheless, what will be the fate of those sentenced to the supreme penalty? Will the president of Azerbaijan pardon them or not? This is probably one of the most complex tasks that Elchibey has to resolve. If he in fact takes a humane approach, saves the lives of the convicted men, and consents to pass the case to the Russian side, where is the guarantee that other sabotage groups will not be infiltrated onto Azerbaijani territory tomorrow? How can the legitimacy of the adopted decision be explained to the mothers of those soldiers who died in the fighting near Syrkhavend, and who will answer for their sons' deaths? It is not easy to give an unequivocal answer to these questions.

Khasbulatov Addresses Russo-Arab Forum

PM2505125593 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition pp 3-4

[Unattributed report incorporating "introductory speech" delivered to Moscow conference "Russia and the Arab World: Business Cooperation Problems and Prospects" by conference organizing committee chairman Ruslan Khasbulatov: "Ruslan Khasbulatov: Russian-Arab Relations Must Be Restored"]

[Text] Russian-Arab economic contacts have a tremendous future, but there are serious problems here too. This is probably one of the the explanations for the interest displayed by Russian and Arab private and state organizations in the Moscow theory-and-practice conference "Russia and the Arab World: Business Cooperation Problems and Prospects." It is worth mentioning that around 20 Arab states were represented here.

The main problem in our business contacts with the Arab world is the fact that the cooperation mechanism does not work properly. Speakers noted the need for a data base for entrepreneurs and also stressed the importance of creating an investment protection system. One of the ideas expressed was that it would be useful to create a joint chamber of commerce to coordinate the activity of businessmen and state enterprises on both the Russian and the Arab side.

Answering a ROSSIYSKAYA GAZETA correspondent's question about whether he thinks Russian private business is interested in the Near East market, Sergey Glazyev, Russian Federation minister of foreign economic relations noted: "Private business is already starting to make real inroads there. There are a number of substantial projects being developed by not only Russian trading companies, but also banks. And the main thing is that many people who used to work in state foreign trade organizations have now created their own private firms. And, as is known, in the East personal relationships are the main asset."

During the afternoon the conference participants discussed problems of cooperation in the field of investments and banking activity and in the spheres of trade, production sharing, and joint business.

The conference was addressed by Russian Vice President Aleksandr Rutskoy and Arab League Deputy Secretary General 'Ali Suwaydan. We publish below the introductory speech delivered by conference organizing committee chairman Ruslan Khasbulatov.

The holding on the Supreme Soviet's initiative of the theory-and-practice conference "Russia and the Arab

World: Business Cooperation Problems and Prospects" at such a difficult time for our society testifies that parliament and the government regard the utmost promotion of the development of economic reforms, of which business cooperation with all countries is an integral part, as a fundamental dimension of their activity.

The conference is unusual in terms of both its concept and the questions it has to discuss. I would say that it is the first one in the context of Russian-Arab relations.

Its purpose is to analyze in detail the reasons for the decline in economic cooperation between Arab countries and Russia. The main causes are:

the incomplete nature of the shaping of a Russian foreign policy strategy, the result of which is vagueness in terms of political parameters and—an integral part of this—the absence of clearly expressed foreign economic parameters in the system of the world economy;

the lack of a clearly expressed concept for galvanizing cooperation among our countries. The organization of economic ties with the Arab world has been disrupted in Russia;

internal political instability;

and the lack of a serious concept of economic reforms.

These are only a few of the factors. It is necessary to ponder them in depth and reach agreed conclusions.

Nevertheless, our point of departure is not the current situation but rather our countries' long-term interests.

This meeting is evidence of Russia's sincere interest in economic, scientific and technical, and cultural cooperation with the Arab countries for the purpose of achieving peace and concord in the Near East and safeguarding the national interests of the Russian Federation and the states of this important region. Russia and the Arab countries amassed decades of experience of positive and constructive cooperation in resolving many complex questions. The Arab countries accounted for 30 percent of the USSR's trade turnover with Third World states. Defense cooperation developed—and it cannot be said that this cooperation was of totally negative significance. Beneficial and not very beneficial elements intertwined. Often in our relations, political interests did not match mutual economic objectives or cultural, moral, and other humanitarian values.

Let's be frank, Russia inherited a difficult legacy. It has been complicated by the fact that in its foreign economic activity—especially from the end of 1991 right up until the beginning of 1993—the government adhered to certain criteria in the illusory hope that the country could be extricated from the crisis in a very short time with the help of Western aid.

Activity in terms of both Russian reforms and international relations proved much more complex—which we constantly stressed—and a number of propitious political opportunities for building effective Russian-Arab economic cooperation were missed. As a result, it practically became confined to the activity of a limited number of private firms from Arab countries which, on their own initiative and at their own risk, supply small consignments of footwear, clothing, coffee, candies, chocolate, and so forth to the Russian market in exchange for raw materials, cement, timber, and certain kinds of domestic electrical appliances. However, I know that Arab business circles, their governments, and my parliamentary colleagues from Arab countries are very interested in developing business cooperation.

As for Russian entrepreneurs, they have still not yet appreciated the tremendous potential of the Arab dimension of their foreign economic activity.

There are also the objective factors which I mentioned earlier in passing. The uncertainty of the external situation is self-evident. The contributory factors here include the fundamental changes in our country's state structure, the fundamentally new parameters of Russian defense and political doctrine, and the economic crisis.

Furthermore, strange as it may sound, despite ties between Russia and the Arab world dating back many years, we know very little about each other. This is because, to this day, there are not many publications in Russia devoted exclusively to Arab problems, just as the Arab countries do not have specialist publications capable of talking about Russia and its life.

The natural corollary of this is the need to galvanize our contacts in every area and possibly create a joint consultative and coordinating center. The center would be manned by professional Arabists with the ability to offer assistance in the establishment of contacts between interested Russian and Arab forms and propose new ideas for the development of Russian-Arab economic relations. I hope that this conference will give a powerful impetus to all forms of our cooperation.

On the political and economic situation in Russia:

The situation is difficult. But I would not like to overdramatize it. The referendum results show that both parliament and president need to live together until there are new elections. Hence, there is a need for compromise. Ther can and must be compromises, but only on the basis of the Constitution and constitutional legality. Society rejects any compromises falling outside constitutional legality. When the new Constitution is being prepared, full consideration must be given to the public sentiments and the experience of parliament and the presidency—of where there are both positive and negative aspects. A "roundtable" of political parties and movements on constitutional issues has begun.

In the economic field:

A "roundtable" is also in operation here—preparing a pact of national accord on economic policy. Members of

the government and parliament and representatives of parties, public organizations of various kinds, and trade unions are participating in it. This work will be completed in the very near future.

On the federal structure:

A process of the active development of the principles of the new federalism laid down by parliament in the Federation Treaty a year go is taking place. Heads of oblasts, krays, and republics have not been enlisted in discussing these questions. Their word carries great weight in many instances. This is an important path to the constructive development of social accord.

In the sphere of social policy:

Many decisions have been adopted by both parliament and government to provide material support for needy segments of the population, and trilateral agreements between the government, the Union of Entrepreneurs, and the trade unions on the growth of the population's incomes and on prices are being prepared.

On legislation:

Legislation is being substantially updated. Laws on privatization, property, business, taxes, the encouragement of foreign investment, and foreign currency regulation will be honed. At yesterday's sitting of parliament, I advanced the idea of reducing all types of federal taxes on commodity producers. This measure could halt the decline in industrial production.

Many unresolved problems remain, of course. The main one is our continuing inflation.

I believe we will find a solution to the complex tasks and Russia will occupy a worthy place in the world economy. Every foreign investor, every businessman must understand this.

You should not be misled by the arguments, discussions, and differences of opinion in Russia. Many of the differences result from not knowing how to work under conditions of democracy; we have no traditions of interaction between parliamentary and government structures. Procedures for "eliminating" contradictions which arise are inadequate. All this will come with time. Democracy is only just getting on its feet. So you can come confidently to Moscow and look for your place in business in this tremendous area offering so much promise for enterprise.

The characteristics of the economies of Russia and many Arab states determine the great significance of cooperation in the state sector. For example, some Arab countries suffer from underutilization of the capacity of enterprises in the state sector. In cases like this, Russian state enterprises could promote the fuller utilization of their production capacities (especially those built with our assistance) in exchange for a proportion of the output being supplied to our market. Opportunities exist for organizing the production by Russian state enterprises of certain spare parts for equipment utilized in the Arab east.

The benefit for both sides here is obvious—such production sharing would be much cheaper for the Arab countries than buying these parts and components from developed states, and Russia would benefit by virtue of the cheapness of its work force and the availability of its own raw material base, not to mention the preservation of jobs.

Promising prospects are offered by contacts with such credit organizations as the Kuwait Economic Development Fund and the Saudi Development Fund, which are prestigious outside the Arab world too and, incidentally, offer loans on much more beneficial terms than Western banks.

The potential for cultural and scientific ties is tremendous, as are the opportunities for tourism and recreation. And the rich and valuable experience of economic reforms in Arab countries is a badly neglected resource for Russian-Arab cooperation.

It can be confidently asserted that the things that Egypt, for example, is doing to stabilize the national currency might be of some interest to the Russian Government.

Kuwait's practice in profitably placing its assets would be a graphic help to the Central Bank of Russia; the results of Saudi Arabia's activity to encourage private enterprise are extremely persuasive and instructive; and the United Arab Emirates' experience in resolving acute social and political problems and pursuing a balanced policy to shape a federal state cannot fail to evoke the interest of the Russian parliament. The examples could go on.

Arab countries' activity in the sphere of the profitable exploitation of oilfields and the nature of their business relations with foreign oil companies, particularly in terms of the effective utilization of petrodollars, merits a quite specific discussion. It would be no exaggeration to say that Arab countries' experience in this field is much more valuable for Russia than the experience of the international oil monopolies which are currently being so actively hyped by our mass media.

It is clear that if Russia wishes to regain a worthy place on the world liquid fuel market and not continue to senselessly squander its oil wealth, close contacts with OPEC will be necessary, in which the leading role belongs to the Arab states. Furthermore, the latter could help Russia modernize its oil-extracting and petrochemical enterprises and to find more profitable ways of placing its revenues from the sale of oil on the foreign market.

In order to ensure that these and other possibilities do not remain nothing more than a fond hope, of course, the Russian parliament will have to work out appropriate

legislative backup, and the government will have to display flexibility and persistence in deepening and broadening cooperation.

A legal base already exists in the field of creating the conditions for developing foreign enterprise in the Russian Federation: Legislative acts have been adopted on foreign investments, property, and enterprise, and questions of customs control, tariffs, and duties are being constantly examined and resolved in order to ensure favorable conditions for foreign entrepreneurs and investors.

The Russian side has a good understanding of the significance of this work and will do everything necessary to adopt legislative acts capable of really stepping up the pace of economic cooperation.

We are making use of the opportunities available to us to ensure that the previously accumulated potential for economic ties between our country and the Arab world receives further encouragement and development.

As chairman of the CIS Interparliamentary Assembly Council, I intend to promote as far as possible a reduction in the negative impact of the disintegration of the former USSR on Russian-Arab relations and Arab countries' relations with other CIS members.

I would like to use my conference speech to formulate four tasks of the greatest importance to us.

First, the conference must demonstrate the political significance and benefit of developing joint Arab-Russian relations and make them a most important part of our countries' policy.

Second, in the course of our work we must analyze Russian legislation and listen to our Arab colleagues' comments so they can be taken into account in the process of improving Russian laws. We are ready to present the conference participants with a detailed analysis of Russian laws on foreign economic activity.

Third, the state of humanitarian relations and cultural ties merits enhanced attention on the part of this meeting.

Fourth, it is necessary to strive for the broadening of cooperation between entrepreneurs from Russia and Arab countries, and to examine specific projects such as the creation of a joint chamber of commerce, banks, an Arab medical center in Moscow, joint insurance companies, and a Russian-Arab transport company, and to develop projects for the expansion of Russian ports and other technical projects.

Many unresolved problems have built up in the field of cadre training. The main danger here lies in the fact that this field has become a business matter. As a result there are many defects. The system for selecting students for Russian higher educational establishments is random; many companies are only in it for the money and let young people down. There is no coordination of this crucial work in Russia, just as there is no serious monitoring of the conditions in which students find themselves, the way they live and study.

Russian embassies in Arab countries receive many requests from students and postgraduates to continue their education in our country. The firms which sent them have forgotten about them. There are many problems in CIS countries, since they have stopped financing the training of students who used to come into the training system via the system of USSR state bodies.

What needs to be done in these conditions?

The prime need is to intensify state monitoring of the process of the training of cadres from Arab countries at every stage. This problem must be given the status of Russian state policy.

It is necessary to formulate specific organizational formats for recruiting students, admitting them to Russian higher educational establishments, and monitoring their training.

Possible formats which might be proposed include the creation in Arab countries with Russia's agreement of various funds and associations which would direct the process on behalf of the government, so to speak. In Lebanon, in particular, there could be an association of USSR and Russian Federation graduates.

An international fund for training cadres, including Arab countries, could be formed in Russia. Funds from government and various sponsoring organizations could also be a source of money for this fund.

The conference could ask the governments of Russia and Arab countries to work on this problem and resolve it within a two-three month period.

In conclusion, let me stress once again that we will do everything to ensure that the improvement of Russian-Arab relations is raised to the level of Russian state policy. This means that parliament, government, ministries, and departments alike must provide state support in this sphere of relations.

Organizational formats for supporting Russian business linked with Arab countries need to be created. At the same time it is also necessary to support the efforts of Arab states seeking to conquer the Russian market so it becomes highly advantageous for them.

There need to be substantial improvements to Russian legislation to encourage foreign investments, protect them, and safeguard them against contingencies.

It is not easy to solve these problems, of course. But we must and will solve them in a very short space of time.

I believe that this conference marks the start of a great deal of difficult work to restore and further develop Russian-Arab relations.It would be a good idea to hold

such conferences annually. It would appear logical and important to hold the next one in Cairo.

A series of bilateral discussions should start before the next session. These could be bilateral "roundtables," conferences, or forums involving statesmen, businessmen, and academics.

Commentary Views Velayati's Persian Gulf Tour

NC2705085193 Moscow Radio Moscow in Persian 1330 GMT 26 May 93

[Vladimir Pronin commentary]

[Text] The one-week visit by Iranian Foreign Minister 'Ali Akbar Velayati to the Arab members of the Persian Gulf Cooperation Council [GCC] has ended. Our commentator Vladimir Pronin has assessed the outcome of this visit.

This unprecedented visit by the Iranian foreign minister to six Arab countries in the Persian Gulf came exactly one week after the visit by Egyptian President Husni Mubarak to these same countries. During his visit, the Egyptian leader once again propounded the issue of the Islamic republic's intervention in supporting extremists in Egypt and in some other Arab countries.

It is not surprising that some Western mass media described the objective behind Velayati's visit as an effort to mitigate the impact of Mubarak's visit. But even though this is an interesting viewpoint, I think that some observers are aware that the Iranian foreign minister was not initially thinking of this during his trip. A high-ranking Iranian Foreign Ministry spokesman said: Our friends in the Persian Gulf know that this visit had been planned beforehand within the framework of continued efforts to instill new strength both to bilateral and to regional relations.

It should be noted that, despite the perceptible improvement of Iran's relations with Persian Gulf countries, the Arab shaykhdoms have not yet been able to remove their feelings of suspicion toward the Islamic Republic of Iran. Iran's plans to reconstruct its army are causing special concern among the Persian Gulf countries, and recent press reports on Iran's purchase of eight Ukrainian ballistic missiles, which can hit targets on the southern coast of the Persian Gulf within seconds, did not help to increase optimism toward Iran in the Arab capitals. But as you know, the objective behind Iran's foreign policy strategy is to bolster all aspects of cooperation with its southern neighbors.

The Iranian guest was very warmly welcomed in all the six capitals that he visited. Apparently this was the reason why Iranian President Hashemi-Rafsanjani described Iran's relations with Persian Gulf countries as friendly during his recent news conference in Tehran. The Iranian president also stressed in this news conference that Tehran supports mutual visits on the (?highest) levels.

Actually this point was [words indistinct] during Velayati's visit [words indistinct]. In his meeting with the Iranian minister, the Saudi king underlined Iran's specific role in the region and throughout the world of Islam. In his opinion, the bolstering of bilateral relations will serve the interests not only of the Iranian and Saudi nations, but the interests of all Islamic countries. On his side, Velayati expressed Iran's readiness for the full expansion of relations with Saudi Arabia, especially in the economic, oil, and commercial fields.

Velayati's visits to Muscat, Abu Dhabi, Doha, Manama, and Kuwait were also carried out in a similar atmosphere. The main point underlined by the Arab side in the talks with Velayati was that they have no differences with Iran but that first Tehran should show its good will.

However, Velayati's visit to [word indistinct] was different from his other visits and the reasons for this are very understandable. The United Arab Emirates [UAE] is Iran's major trade partner. However, relations between the two countries were recently placed in an impasse over the problem of three Persian Gulf islands. Facts show that even though this problem was discussed, the discussions were not calm. At any rate, in their joint communique, the UAE and Iran have expressed their wish and readiness to start new talks in order to remove all obstacles on the improvement of bilateral relations.

Now that details of Velayati's discussions with the GCC officials have been revealed, one can say that this visit was a unique development toward attaining new quality in bilateral relations and an important step toward strengthening stability and creating an atmosphere of understanding in the region.

UK Grants Credits; EC Yet To Agree on Trade

MK2605111593 Moscow NEZAVISIMAYA GAZETA in Russian 26 May 93 p 1

[Faina Osmanova report: "Everything Is Okay With Great Britain. But Russia's Talks With EC Enter Critical Stage, in Shokhin's View"]

[Text] Russian Deputy Prime Minister Aleksandr Shokhin devoted his press conference to the results of the work done by the intergovernmental Russian-British Trade and Investment Commission. Also highlighted was the status of Russia's talks with the EC.

The commission managed to resolve the problem of British credits totaling 280 million pounds sterling to be granted to Russia. Among priority projects, the following three were pinpointed as particularly important:

1. A gas project for the replacement of turbines at gas-compressor housings on the Western Siberia-Center pipeline with a total amount of credits, including credit guarantees, of $210 million.

2. A construction project for building an international terminal at Sheremetyevo airport with a total amount of

credits reaching $165 million; the agreement calls for setting up the Air Russia joint venture by Aeroflot and British Airways for possible joint operation of a number of air corridors.

3. A project for upgrading Moscow's municipal telephone system with a total amount of credit of $75 million.

All the projects' hard-currency costs are planned to be recouped.

Russia provided guarantees with regard to last year's credits, which, however, is not completely in line with the current policy of the Russian Government, under which work should be arranged so as to recoup costs on each project, to repay loans through revenues, and to make profits.

According to Shokhin, talks with the EC have entered a "critical" stage, because a week ago the Danish prime minister confirmed the invitation extended to President Yeltsin by the queen of Denmark to visit Copenhagen from 19-21 June provided that the first part of the visit would be "Danish," and the second one "European." President Yeltsin was invited to attend the Council of Europe session to be convened in Copenhagen on 21 June for the possible signing of an agreement between Russia and the EC. Russia has already conducted four rounds of talks, but the problems that concern Russia most (discriminating provisions in the draft agreement between Russia and the EC, imbalances on some of the counts that infringe on Russia's interests) have been left unresolved. The Russian side would like its relations with the EC to be based on GATT. Given that Russia is not yet a member of GATT, the EC would prefer to view its trade with Russia as "a special case," which is bound to lead to Russia's trade discrimination and, in particular, to unilateral anti-dumping actions.

In addition, the EC is trying to apply a special, not general, treatment to nuclear fuel goods, although an agreement signed by the USSR as long ago as 1989 calls for a general treatment for such goods. As for the imbalances in some sections of the agreement, Russia, while it gives European banks and businesses favorable conditions on its territory, experiences significant difficulties on the space services, satellite launching, and transportation markets. The scheme proposed by the Danish prime minister in a telephone conversation with President Yeltsin is in no way suitable for Russia: Our side cannot sign an agreement on the problems that have already been agreed upon, yet get around to resolving the contentious issues only in several years' time.

When asked by your NEZAVISIMAYA GAZETA correspondent about steps aimed at attracting direct foreign investment in our enterprises, Aleksandr Shokhin said: "The Supreme Soviet is considering three draft laws—a new draft of the Law on Foreign Investment, the Law on Concessions, and the Law on Free Economic Zones. If adopted, they will make it possible to do business in conditions of the so-called universal legislative framework. Also important is the creation of a wide-ranging network of institutions designed to attract foreign investment. State structures, operating on a commercial basis, may also give a boost to the inflow of foreign investment. It is for this reason that the Russian Information Center for the Promotion of Foreign Investment was set up, which will act as a middleman between potential foreign investors and our enterprises. Project financing centers of various types are being created, including the Russian Bank of Reconstruction and Development. An Export-Import Bank and a whole range of other institutions are to be set up to insure foreign investment. A collateral fund of $1 billion has been reserved for the State Investment Company. But what concerns us most at this stage is the creation of an agency for multilateral insurance of investment against noncommercial and political risks in Russia.

Official Says Portuguese Premier Visit Postponed

LD2605182893 Lisbon RDP Antena 1 Radio Network in Portuguese 1400 GMT 26 May 93

[Text] All the signs show that the prime minister's trip to Russia has been postponed. It was due to take place at the beginning of June. This report comes from a source at the Russian Foreign Ministry in Moscow. The Portuguese Foreign Ministry appears to have no knowledge of this postponement. Pedro Leal reports:

[Leal] Cavaco Silva will not visit Moscow from 2-7 June as planned. This is what Aleksandr Melvedev, head of the Portuguese and Spanish section of the Russian Foreign Ministry, told us a few moments ago.

[begin Melvedev recording, in Spanish] The Portuguese side suggested that the trip be postponed and that new dates be set. [end recording]

[Leal] According to this official at the Russian Foreign Ministry, it was the Portuguese side that suggested a postponement. Curiously, the Portuguese prime minister's office is not confirming this information, and adds that his trip is on schedule. According to the Russian Foreign Ministry, the visit is being postponed due to internal problems in Russia.

[begin Melvedev recording] I believe the problems are here in Russia, the events, as you know, in my country on the eve of discussions about the constitution. [end recording]

[Leal] Constitutional problems in Russia are the reason for the possible postponment of Cavaco Silva's trip.

Law Enforcement Cooperation Discussed With Italian Minister

LD2605185693 Moscow ITAR-TASS in English 1755 GMT 26 May 93

[By ITAR-TASS correspondent Aleksandr Bukalov]

[Text] Rome May 26 TASS—Russian Interior Minister Colonel-General Viktor Yerin who is in Italy on a working visit met his Italian opposite number Nicola Mancino for talks in the Viminale Palace in Rome today.

The ministers discussed cooperation between the law enforcement agencies of the two countries in combatting crime and narcobusiness.

The Italian Interior Ministry said in a press release an intergovernmental agreement on the issues is being prepared to be signed in Moscow soon.

This past April a Russian-Italian agreement was signed to ensure the exchange of operational information about drug trafficking.

Viktor Yerin will take part in the international conference which opens in the Italian capital on Thursday to discuss routes of illicit drug trafficking in Europe.

START II's Economic, Political Impact Eyed

PM2705085193 Moscow ROSSIYSKIYE VESTI in Russian 26 May 93 p 7

["Excerpt" from "analytical review" of START II Treaty: "START II Increases Our Security"]

[Text] A group of scientists led by Doctor of Historical Sciences Sergey Rogov, deputy director of the United States and Canada Institute, has prepared an analytical review of the Strategic Arms Reduction Treaty [START II], which will be submitted to the Russian Supreme Soviet. The editorial office is publishing one section of this review.

It is fairly clear today that any arms cuts, particularly such wide-ranging cuts as those envisaged by the START II Treaty, not only do not promise a short-term economic impact but, on the contrary, sometimes involve additional expense. We have to decommission and cut back around 40 submarines, around 1,500 ballistic missiles, and over 7,000 warheads. Compared with the terms of the START I Treaty, an additional 1,500-2,000 warheads [boyezaryady] must be cut back. Obviously, carrying out this work over a period of 8-10 years is an extremely costly business.

However, a whole range of other longer-term considerations should be borne in mind when assessing the economic costs of the START II Treaty. It is necessary to take into consideration the fundamental point that for Russia the enshrined quotas will mainly be attained by natural wastage of weapons that have outlived their guaranteed service life. According to existing data, 74 SS-18 ICBM's (including 26 in Kazakhstan) and 92 SS-24 ICBM's (including 46 in Ukraine) are to be decommissioned early. It must be borne in mind that over 2,000 missiles are to be decommissioned in the period under review because they have outlived their guaranteed service life. In addition, during the same period, around 450 SS-25 ICBM's and around 300 submarine-launched ballistic missiles will need a mid-life update [neobkhodimo budet dostroit]. But even for those missiles that we will have to decommission early, this expenditure should not be considered a net loss since the saving on operational costs will be considerable.

It can be concluded that a large proportion of the money that Russia will have to spend on dismantling and destroying nuclear arms in connection with the START II Treaty during this period would have been spent anyway, whereas the material and financial resources that would have been expended on maintaining today's levels of strategic offensive arms can be considered the direct positive economic return from the treaty.

The treaty allows a fairly sizeable number of ICBM's to be destroyed by being used as space launch vehicles. This use promises an extremely large economic return. Russia is today faced with the extremely urgent task of creating a modern infrastructure and above all modernizing information and communications systems. One of the most promising avenues in the development of this sector is the creation of low-orbit satellite systems. Throughout the world one of the main factors holding back the development of systems of this kind remains the high cost of putting such satellites into near-earth orbits. The use of decommissioned ICBM's, primarily our heavy missiles, for this purpose could be an important factor enabling Russia to make a breakthrough in this area, ultimately providing an economic return far in excess of all the costs involved in the strategic offensive arms cuts.

Apart from the obvious impact on Russian-U.S. relations, this agreement has a whole range of other positive elements.

It will effectively be the first agreement that really brings about strategic offensive arms cuts, not only quantitative but also qualitative cuts (in terms of combat effectiveness indicators). As already pointed out, the new treaty enshrines a new structure for nuclear deterrence in keeping with the changed political situation and the developing partnership relations between Russia and the United States.

The START II Treaty establishes and enshrines approximate parity between Russia and the United States—with 3,000-3,500 warheads each. That is 8-10 times more than those of such great powers as China, France, and Britain.

Thus, even after cutting strategic arms by a factor of three in comparison with the current level and by a factor of two in comparison with the START I Treaty, we will still keep approximate parity with the strongest power in the world.

This is very important in terms of our retaining a worthy place in the system of international relations. Until we have revived our economic might, the strategic nuclear forces will help us to guarantee our national security for the transitional period at least. Incidentally, that will

enable us to cut back the conventional armed forces, which swallow over 90 percent of military expenditure.

The agreement will act as a base to involve the other nuclear powers more actively in the reduction process and should also be an important factor in reinforcing the nuclear nonproliferation regime.

Last, one of the most important aspects of this agreement is the fact that it creates a clear international-legal context for the elimination by the year 2003 of all nuclear weapons in Kazakhstan and Ukraine (since all the weapons deployed there are MIRVed ICBM's). At any rate any maneuvers made by these countries' leaderships on questions pertaining to the future of the former USSR's nuclear weapons deployed there pose a direct threat to the implementation of START II and should meet with a quite clear, negative response from the United States and other countries of the world community.

The treaty creates preconditions for the most speedy clarification of the problem of the Soviet Union's nuclear legacy. The START II Treaty's main political importance is that it clearly makes Russia the sole heir to the Soviet nuclear arsenal.

Commentary on North Atlantic Assembly Meeting

MK2605132493 Moscow MOSKOVSKIYE NOVOSTI in Russian No. 22, 30 May 93 (signed to press 25 May) p A7

[Commentary by Andrey Zagorskiy, deputy director of Moscow State Institute of International Relations: "Who Will Settle Conflicts?]

[Text] An annual session of the North Atlantic Assembly was held the other day in Berlin. It focused, among other things, on the war in the former Yugoslavia, conflicts in the former USSR, and the possible role of NATO in their settlement. The Berlin session was not the first discussion, and NATO not the only organization, that studies the possibilities of its participation in the effort to stop the discord that broke out after the end of the Cold War. Conflicts in the countries of the former USSR have been discussed both in the United Nations and at the CSCE, which has sent its observers to a number of regions.

In July 1992, the United Nations declared the CSCE its regional organization authorized, among other things, to carry out peacekeeping operations. For this purpose, CSCE may ask NATO, the EC, and the West European Union for help. In the past few months, NATO representatives have repeatedly emphasized their organization's readiness to take over the burden of peacekeeping, including in the former USSR, acting under a UN or CSCE mandate.

While it does not deny the importance of international institutions, Russia, however, does not show willingness to cede its role in the settlement of conflicts in the former USSR to the West. This is exactly how President Yeltsin's statement about Russia's special mission in this region, made at the end of February, was interpreted abroad. In March 1993, Russian Deputy Foreign Minister Sergey Lavrov submitted to the United Nations a document on Russia's participation in peacemaking operations in the countries of the former USSR. At the same time, he emphasized Moscow's responsibility for ensuring stability and respect for human rights in the former USSR, calling on the United Nations to assist Russia in these efforts, including the provision of material assistance.

In this connection, it would be advisable to ask oneself whether Moscow's desire to fence off the territory of the former USSR—as a zone of its special interests—from outside mediation is reasonable. This aim is hardly attainable because of the burden it places on Russia. The costs of maintaining armed forces in the conflict areas and subsidizing CIS countries are one of the main reasons for Russia's budget deficit. Policies aimed at maintaining the integrity of the former Soviet space and its further reintegration are running counter to the policy of reform. In addition, claims to the "special" role in the settlement of problems of the former USSR cannot but fuel apprehensions, widespread both in the CIS and outside it, with regard to the revival of Moscow's imperial policy. They also fuel neoimperialist sentiments in Russia itself.

Of course, hoping that we can resolve the problems related to the conflicts by handing their settlement over to CSCE or NATO would be naive. Most European organizations that were established in the years of the Cold War are themselves experiencing a legitimacy crisis and compete with each other as they look for new missions. At the same time, the EC, NATO, and CSCE have proved incapable of bringing settlement to the conflict in the former Yugoslavia, although they have played a helpful role in solving some specific problems. The experience of the past two years has shown the limitations of the international peacekeeping mechanisms. As a result, none of the existing organizations is able to take over completely the task of conflict settlement in Europe and in the former USSR.

The mechanisms that have proved most efficient are the ones that, although relying on the authority and resources of the existing organizations, were set up for conducting particular negotiations on this or that conflict. These are the peace conference on Yugoslavia and the majority of agreements on the conflicts in the former USSR (South Ossetia, the Dniester Region, Abkhazia, and Tajikistan).

Therefore, the question is not about which organization should be tasked with conflict settlement, but is about the search for the efficient collaboration of various international institutes that would complement each other in promoting peace processes.

One of the main snags in putting these mechanisms into operation, however, is the failure to enforce cease-fire

agreements. Meanwhile, the experience of South Ossetia and the Dniester Region has shown that the hostilities could be halted on the basis of special agreements signed by third countries as guarantors. Russia has played and could yet play an important role in this area. However, the same experience—and even more vividly the situation in Abkhazia—show that the longer Russia remains involved in a conflict, the greater damage it suffers. Moreover, both Georgia and Moldova express their interest in seeing the Russian contingents deployed in the conflict ares replaced by UN or CSCE troops.

Why shouldn't we accept this division of labor, provided, of course, that the international organizations agree? In this event, Russia could retain the role of a peacekeeper in the former USSR, avoid accusations of pursuing neoimperialist policies, and attract the resources of international organizations for the purpose of maintaining stability in the countries of the former USSR. Maybe the discussion of this problem in the United Nations, at the CSCE, and in NATO agencies could then focus on more specific and substantive matters.

Political Issues

Yeltsin Chairs Presidium Meeting on Privatization

LD2705080493 Moscow ITAR-TASS in English 0618 GMT 27 May 93

[By ITAR-TASS correspondent Ivan Ivanov]

[Text] Moscow May 27 TASS—President Boris Yeltsin is chairing a meeting of the government on Thursday [27 May] which is to discuss privatisation in 1993.

Other issues on the agenda include changes in taxation of wage funds of enterprises, banks and insurance companies, as well as provisions for the Education Ministry.

'Hard Work' Needed

LD2705084893 Moscow ITAR-TASS World Service in Russian 0728 GMT 27 May 93

[By ITAR-TASS correspondent Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 27 May—All the decisions of the country's executive power must be examined "from the viewpoint of the main question: to what degree do they embody the policy supported by Russians" in the referendum. Boris Yeltsin stated this today in his speech at a session of the Russian Council of Ministers Presidium. The president was chairing the session, held in the Kremlin, in the absence of Premier Viktor Chernomyrdin, who is on vacation in Sochi.

Recalling that the socioeconomic course is supported by a majority of Russia's politically active population, the president voiced alarm at the fact that, "since 25 April, the government's activity has been somewhat reduced." "A certain softening has appeared. This is inadmissible. The situation in the economy does not give any grounds for complacency. We shall not forget that the people's trust can only be kept by hard work," he said.

Describing the present state of affairs in the economy, Boris Yeltsin stressed: "The most acute part of the crisis is over. The level of production has remained more or less stable for several months now. The situation today makes it possible to look to the future with, albeit, the most guarded but nevertheless optimism."

Reforms 'Must Not Stop'

LD2705092293 Moscow ITAR-TASS World Service in Russian 0815 GMT 27 May 93

[By ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 27 May—At the moment "the conditions are being established for more stable work by the government. This means not just the adoption of emergency measures; the opportunity is emerging for thinking about long-term solutions." This was said by President Boris Yeltsin today when addressing a session of the Presidium of the Council of Ministers.

Talking about the social factor, which influences the solutions adopted by government, the president noted that during the reforms and the accelerated transformations "the old social structures began to break down with greater speed and the quality of life has dropped considerably." In this respect, he stressed that in this situation the government must not stop the reforms, and "must not endlessly increase the burden of social expenditure."

Boris Yeltsin said that the government's most important task is "to give the economy as a whole a more social orientation. This is now a problem of real policy. We are not talking about any slowing down but a new phase of change." Here the president noted that he is aware of "just how difficult it is to combine an effective battle against inflation and a strong social policy. However, this cannot be avoided today. The professionals have to find an acceptable solution to this task."

Boris Yeltsin expressed the view that the role of state regulation should change in the process of reforms currently underway. "It is a question of state purpose-specific programs related to food, scientific and technological potential, export, some other issues, and the state's attitude toward maintaining worthy living standards." "They should replace the wearisome practice of agreeing small issues with bureaucrats," he added.

Speaking about transferring the management of state sector enterprises to a commercial basis, Boris Yeltsin said that it is a question of "stimulating progressive structural changes, and modernizing production and the process of investment." He stressed that "there should be state support for those who have a right to it," primarily for the disabled and unemployed. "We should also always think about those who will not be able to personally adapt to the realities of a market economy or to find a place for themselves within it." The president mentioned the need to organize practical work with regard to the retraining and psychological adaptation of those who need it.

In his speech the president attributed special significance to combating inflation. He stressed that "the aims of the anti-inflation policy and the deadlines for achieving them should be realistic," having noted that inflation must be made "predictable." To do this, first and foremost it is important to stabilize in stages the ruble-foreign currency exchange rate, which has today become the main factor in inflation. "If we are at least able to do this, it may be hoped that the macro-economic situation will begin to change for the better," he said, adding that he has in mind a "falling off of inflation expectations, a normalization of savings, and an increase in investment activity.

This is attainable, continued Boris Yeltsin, only on the condition that "a sufficiently stringent and—what is most important—agreed monetary-credit and financial policy is pursued. This is first and foremost a matter for

the government and the Central Bank." "There is no way that we can do without their cooperation in resolving the specific anti-inflation tasks," he said.

In the fight against inflation, much depends on who is actually raising prices and incomes, jacking up the spiral of inflation, which is so ruinous to the economy. "One has to look for a balance of interests among those involved in economic life," stressed Boris Yeltsin. He expressed the opinion that the conclusion of a national agreement on a socio-economic policy with the participation of the government, entrepreneurs, and trade unions would play a positive role here.

Changes in Industry Viewed

LD2705094793 Moscow ITAR-TASS World Service in Russian 0845 GMT 27 May 93

[By ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow, 27 May—Boris Yeltsin today called structural changes in industry the key problem of the present reforms. In his words, "these changes are happening, but for the most part they are ad hoc and determined by the kind of market we have." "Even in the current, extremely serious conditions, we do have groups of enterprises functioning steadily," he said. "The output of civilian goods is increasing in defense industry enterprises, in the motor industry, and the gas industry. While there is an overall decline in engineering, output of technically complex items, specifically equipment with numerical program control, is starting to increase." At the same time, the president noted, the drop in output continues at other enterprises.

The economic crisis, Boris Yeltsin went on, is becoming increasingly structural in nature. But even in the crisis industries there are quite a few enterprises which are successfully tackling their own problems. This is an encouraging factor. It demonstrates that the Russian economy has enormous reserves and that we have virtually no patently doomed enterprises.

However, he said, a crisis remains a crisis, and one needs to extricate oneself from it. That means making structural changes more controllable. The president admitted that, "so far we have not created effective mechanisms for implementing the state structural policy".

Having noted that the central problem of today's Council of Ministers sitting is the privatization program, Boris Yeltsin said: "The fundamental issue of the reform is to transfer a significant proportion of state property to people. A task has been set to the government, local administrations, and privatization bodies, to 'get going' the conveyor of voucher auctions throughout the country." To do so, he thinks, it is necessary to solve a number of such problems:

First, it is necessary to sharply increase the rate of auctioning, and to increase the supply of shares to be sold for vouchers. This is an impossible thing to do without cutting back bans and restrictions of various kinds on privatization. In the next few month we should change the situation fundamentally. In particular, this concerns the privatization of a number of ministries, including the military-industrial complex.

Second, the organizational and financial arrangements for check auctions must be improved. In this respect there are questions to be asked, both of the State Committee for Property, Russia's Property Fund, and the Ministry of Finance.

Third, the need to increase the amount of information given to the public remains an extremely acute aspect of privatization. Responsibility for providing citizens with accurate and timely information about assets being privatized, check auctions, and so on rests with leaders of local administrations and officials of privatization bodies.

"Privatization is not an end in itself," Boris Yeltsin stressed. "Its purpose is to raise the efficiency of production. Therefore, we have a vital interest in ensuring that newly privatized enterprises find their feet as soon as possible after privatization." Therefore, enterprises need to be supported following their privatization. A significant proportion of the state's resources and Western aid, as well as loans, must be used for precisely this purpose.

More on Privatization

LD2705094893 Moscow ITAR-TASS in English 0926 GMT 27 May 93

[By ITAR-TASS correspondents Ivan Ivanov and Gennadiy Talalayev]

[Text] Moscow May 27 TASS—The Presidium of the Council of Ministers of the Russian Federation had a meeting behind closed today after President Yeltsin's report. It discussed the draft state programme of privatization of state and municipal enterprises in the Russian Federation for 1993.

According to the text of the programme, circulated among participants in the meeting, its purpose is "to create a large group of private owners who will be an economic basis of market relations; to draw into the privatization process as many people as possible by selling the state and municipal property, which is subject to privatization, for privatization vouchers at specialised voucher auctions; the completion of privatization of most small privatization facilities and the boosting of the development of the trade and services sector on this basis; the raising of the efficiency of enterprises and the national economy in general on the basis of its restructuring and demonopolisation; the promotion of social protection measure".

Draft Program Endorsed

LD2705143293 Moscow ITAR-TASS in English 1325 GMT 27 May 93

[By ITAR-TASS correspondent Sergey Podyapolskiy]

[Text] Moscow May 27 TASS—The 1993 draft state privatisation programme has been endorsed in the main at a meeting of the Presidium of the Russian Council of Ministers on Thursday [27 May]. A working group has been formed to perfect the draft programme, Dmitriy Vasilyev, deputy chairman of the Russian Federation's State Committee for the Management of State Property, told a news conference. This should be done within four weeks. The working group should take into consideration proposals of all federal ministries.

The commission headed by First Deputy Chairman of the Government Vladimir Shumeyko includes First Deputy Premier Oleg Soskovets, Deputy Premiers Anatoliy Chubays and Yuriy Yarov, Deputy Chief of the State Legal Agency Ruslan Orekhov.

As is known, the draft state privatisation programme has been drawn up by the State Committee on Property which took into account proposals of subjects of the federation and Russian regions. Vasilyev said that the document preserved the basic principles of last year's programme. Among important changes, he pointed out a considerable lessening of the degree of centralised implementation of the programme. Decisions on the privatisation of some 22 thousand enterprises will be made in regions. In addition, there are measures to reward enterprises that had completed the privatisation plans.

Vasilyev said that the meeting of the Presidium of the Council of Ministers had decided to preserve the system of assessing the property of enterprises undergoing privatisation by residual balance costs.

Vasilyev said that the 1992 privatisation programme will be operating while the 1993 draft programme is being perfected. He said Yeltsin proposed draft presidential decrees that would take into account the fundamental provisions of the new document.

Report of 27 May Deputies' Conference Denied

LD2605200893 Moscow Ostankino Television First Channel Network in Russian 1700 GMT 26 May 93

[From the "Novosti" newscast]

[Text] On the eve of the forthcoming congress, which will probably have to adopt a new constitution, a struggle for the votes of people's deputies is starting. The president's press service has denied an ITAR-TASS report regarding Yeltsin's intention to convene a conference of deputies tomorrow. It is possible that it will take place in the next few days. It has been confirmed that at Ruslan Khasbulatov's initiative a conference of people's deputies of all levels will be held on 1 June. A total of 2,050 people have been invited to attend and they are planning to arrive in Moscow on 30-31 May.

Yeltsin Edict on Moscow Rallies Detailed

PM2605113593 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 2

[ITAR-TASS report: "President's Edict on Holding Demonstrations in Moscow"]

[Text] Russian Federation President B. Yeltsin has issued an edict confirming the temporary statute on the procedure for notifying the organs of executive power in the city of Moscow of the holding of rallies, street marches, demonstrations, and picketing in streets, squares, and other open public places in the city.

The Russian Federation president's Press Service has reported that the temporary statute states, in particular, that the holding of measures of this kind is notified to the organs of executive power by the plenipotentiaries (organizers of mass actions) of labor collectives, public organizations, and individual groups of citizens no earlier than 15 days and no later than 10 days before the planned date for holding them.

The notification indicates the purpose, form, and venue of the mass action or its routes, the time of its start and finish, the proposed number of participants, and the details of the plenipotentiaries (organizers).

The notification of the holding of a mass action is not accepted by the organ of executive power if this action runs counter to the principles of the Declaration of Human and Civil Rights and Freedoms and the generally accepted norms of public morality; if the plenipotentiaries (organizers) do not pledge to ensure compliance with public order or if the form, venue, and timing of the action coincide with another mass action notified earlier or simultaneously within the prescribed times; also if it poses a real threat to the normal functioning of enterprises, establishments, and organizations or creates a need to stop the operation of passenger and railroad transport.

The plenipotentiaries (organizers) of a mass action do not have the right to hold it if the notification was not submitted in time or was not accepted, and they are obliged to cease preparing for it. It is possible to appeal to a higher organ of executive power or to a court against a refusal by an executive organ of power to accept the notification of the holding of a mass action.

Kozyrev Addresses Foreign Policy Council Session

LD2605120093 Moscow Radio Rossii Network in Russian 0900 GMT 26 May 93

[Text] Foreign investment and economic reforms in Russia were the subject of an expanded session of the Foreign Policy Council that started work today in the Ministry of Foreign Affairs of the Russian Federation. Leading economists, academics, political scientists, and

representatives of Russian enterprises are taking part in the discussion of this important issue, ITAR-TASS reports.

Andrey Kozyrev, minister of foreign affairs, addressed the expanded session. The minister stressed that as yet people's attitude to foreign investment was not so much a practical matter as a subject for disputing the historical choice between self-isolation and openness, between rigid centralization and the market economy.

Burbulis on New Party, Civic Union

PM2605153693 Copenhagen BERLINGSKE TIDENDE in Danish 24 May 93 p 8

[Report on interview with Gennadiy Burbulis, former adviser to President Yeltsin, by Flemming Rose in Moscow; date not given]

[Text] Moscow—A number of President Yeltsin's closest advisers are in the process of forming a new political party which, organizationally and ideologically, will be a reflection of the new Russia. Wealthy and influential entrepreneurs support the party which takes its ideological foundations from Western and Russian liberalism.

Behind the initiative is 47-year-old Gennadiy Burbulis who, since being fired from the post of head of President Yeltsin's group of advisers last December, has been putting most of his efforts into building up a new center for political analysis and at the same time laying the foundation of the new political party which will number prominent figures like reform architect and former Prime Minister Yegor Gaydar, Foreign Minister Andrey Kozyrev, Deputy Prime Minister Sergey Shakhray, and Privatization Minister Anatoliy Chubays among its members.

Gennadiy Burbulis wants the new party to be called the Party of 25 April.

"The referendum on 25 April marked a watershed in Russian history. Now, in May 1993, a whole new historical epoch is beginning. The Russians have said 'yes' to a new civilian society and this means that a line has been drawn under the Soviet period. The way in which the referendum was realized and its result have shown that the necessary preconditions for a civilian society are now in place for the first time in Russia's history.

"It is our task to give organizational and ideological form to the new situation. That is why we are forming a political party," Burbulis said in an interview with BERLINGSKE TIDENDE. He went on:

"So far democratic movements and supporters of reform have only had two types of idea—an anticommunist thrust which asserted that the old system was finished and condemned to death, and a vague reform-oriented approach with the motto: We are going to live better than we did in the past.

"However, these two types of ideas have nothing to do with philosophies or political doctrines. They are simply signs of something, or stances. We will now use our party to formulate a new philosophy in which the Western world's liberal and democratic ideals will be combined with the lessons learned from Russian liberalism and private industry."

Gennadiy has a past as first deputy prime minister and under secretary of state under President Yeltsin with responsibility for Russian security policy at both the Interior Ministry and the Foreign Ministry.

Burbulis is the creator of President Yeltsin's policy of strategic reform. It was Burbulis who, immediately after the old-style communist coup attempt in August 1991, introduced President Yeltsin to the young and ambitious reform economist, Yegor Gaydar, who was given responsibility for the government's reform program. Burbulis' political opponents say that he exerts a diabolical influence over President Yeltsin and that in reality it was he who ruled Russia from the fall of 1991 to December 1992.

Despite his dismissal in December 1992 Burbulis, who comes from the same town in the Urals as President Yeltsin, still plays a major role in Russian politics. For—as one observer puts it—Burbulis' influence is not determined by the sign that hangs on the door of his office. Instead it is in direct proportion to the number of telephone calls to and meetings with Boris Yeltsin.

And Gennadiy Burbulis made no secret of the fact that contacts between him and President Yeltsin have increased in intensity since last month's referendum.

According to Burbulis, the fall's election campaign for a new two-chamber parliament will be fought between two political currents: the supporters of reform surrounding President Yeltsin and his policies versus those who want to bring the past back. Burbulis does not think that there is the necessary base for real political centrism in Russia as expressed through the Civic Union, which includes Vice President Aleksandr Rutskoy and a number of formerly influential party functionaries.

"The Civic Union political bloc defines its own centrism as an alternative to the political flanks and also stresses that it wants a softer transition to a market economy and so-called evolutionary forms.

"However, this has nothing to do with a definite philosophy or political doctrines. It is instead cheap populism and moral outrage behind which real, but very different interests are concealed.

"Centrism belongs in a stable and structured society. We are living in a transitional society where there are still no clear social and professional distinctions. We find ourselves in a situation of fomentation and crystallization," Burbulis said.

According to Burbulis, there is no need for haste in the adoption of a new constitution.

"President Yeltsin's proposal for a new constitution is hanging over the Congress of People's Deputies and the Supreme Soviet like a Damocles sword. We must not allow this weapon to slip out of our hands. Important objectives will be achieved if we succeed in adopting an interim constitutional agreement for 4 to 5 months and setting the date for elections to a new two-chamber parliament."

Poll on Reform, Leaders, Media Trustworthiness

MK2605123693 Moscow MOSKOVSKAYA PRAVDA in Russian 26 May 93 p 3

[Ye. Salakhova report under the rubric "Muscovites' Opinion": "Boris Yeltsin and Radio Rossii in the Lead"]

[Text] A regular poll among Muscovites was conducted in mid-April by the Institute of Sociopolitical Studies of the Russian Academy of Sciences. In addition to the already banal questions about their economic conditions, the survey attempted to find out what capital city residents think about the economic reform, and asked them to rate political figures and the media for popularity.

On the question about living standards, the respondents were inclined to agree that their position continued to worsen. While in March this view was shared by 44 percent of those polled, in April the figure increased to 50 percent. Nearly 36 percent thought their position was stable. More optimistic in this regard were entrepreneurs. In April, 31 percent of the surveyed in this group said their living standards were improving. Nevertheless, 41 percent of those in businesses share the contrary opinion. The most depressing, quite naturally, is the view shared by pensioners—60 percent of those polled in this group speak of a worsening situation. Asked about immediate prospects, more than half of Muscovites polled hope for no improvement in the future.

As regards economic policy, those who approve and disapprove of it tie at roughly 35 percent. Entrepreneurs show more trust in it. The intelligentsia and workers tie at 35 percent approval of the reform policy.

Asked to name three political figures of Russia who were of use to the country, nearly a quarter of those polled thought there were no such people today. Half the respondents gave specific names, in which 36.2 percent prefer Yeltsin, 14 percent Rutskoy, 9.3 percent Chernomyrdin, 9.3 percent Gaydar, 5.3 percent Khasbulatov. Trailing them are Sobchak, Popov, Baburin, and Volskiy. The mass consciousness has a much better defined "enemy" image. More than half of the polled agreed to name names; 46 percent of the number thought that the greatest harm was done to the country by Khasbulatov. Next follow Yeltsin, Baburin, Rutskoy, and Chernomyrdin, in that order.

Mass consciousness assessments are shaped, among some other factors, under the impact of the mass media whose capacity for that vary with the degree of trust in them. While television has the greatest potential in this regard, Muscovites' trust in the mass-audience channels is relatively low. In the lead, among others, is the Russian Channel, with nearly a quarter of respondents trusting it. Information offered by Ostankino TV is trusted by one in five, and that offered by Moscow TV is trusted by one in every eight polled.

One-quarter of Muscovites polled list among unreliable sources of information PRAVDA and SOVETSKAYA ROSSIYA. Following the leaders are MOSKOVSKIY KOMSOMOLETS with 10.4 percent, and Ostankino TV with 9.3 percent.

More on Court Hearings on Congress Media Decision

Fedotov Urges 'Unconstitutional' Ruling

LD2605125393 Moscow ITAR-TASS in English 1203 GMT 26 May 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow May 26 TASS—The Constitutional Court heard representatives from the petitioning side calling to examine the constitutionality of "the decision on measures to ensure the freedom of speech at the state TV and radio broadcasting system and news services" taken by the Ninth Congress of People's Deputies (supreme legislature).

Chairman of the Russian State TV and Radio Broadcasting Company Oleg Poptsov said that the document under review "is an embodiment of the present difficult situation" in relations between the executive and legislative arms of government.

Poptsov noted that "claims of one arm of government to control television is illogical and absurd". Russian lawmaker Yuriy Luchinskiy described the establishment of watchdog boards as "the establishment of political control".

In its desire to disband the Federal Information Centre, he stressed, legislative power seeks, thereby, "to set up odious watchdog boards" which bear fruit, as it were, even today: Lawyer Igor Zbronzhko said that they "grab broadcasting facilities in some regions and interfere with creative activities of journalists".

Press and Information Minister Mikhail Fedotov again called the court's attention to "a violation of the order of adopting the document". The decision passed on March 28 was neither signed nor published.

The document's final text published on March 29 reveals amendments made in it. According to a provision of the congress's interim regulations, new amendments should again be put to the vote.

Fedotov called on the Constitutional Court to rule the congress's decision unconstitutional due to the inconsistency between the order of adopting the document and

the constitution as well as the inconsistency to the principle of delineating powers between the federation and its subjects.

The court continues its hearings.

Court Says Decision Legal

LD2705095993 Moscow ITAR-TASS in English 0915 GMT 27 May 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow May 27 TASS—Russian Constitutional Court ruled on Thursday [27 May] that a decision of the latest Congress of People's Deputies establishing councils of observers at state mass media as corresponding to the Constitution in its essence and from the point of view of division of authorities.

However, the court said that the procedure of adopting the resolution called "On Measures to Ensure the Freedom of Speech at State Television and Information Services" contradicted the Constitution.

More on Court Decision

LD2705125493 Moscow ITAR-TASS World Service in Russian 1130 GMT 27 May 93

[By ITAR-TASS correspondent Oleg Velichko]

[Text] Moscow, 27 May (ITAR-TASS)—The Russian Constitutional Court has ruled that on the whole, from the point of view of delimiting powers and demarcating the competence of the supreme bodies of state power, the decision of the Ninth Congress of People's Deputies "On Measures Providing for Freedom of Speech at the State Television and Radio Broadcasting and Information Services" corresponds to the Constitution, but does not correspond to the fundamental law regarding the procedure for its adoption and publication.

Therefore, in accordance with the adopted decision, the activities of state television and radio companies will be carried out in keeping with the law "On the Mass Media" and this decision, until a law on the organization of television and radio broadcasting in the Russian Federation is adopted. The activities of the bodies for governing television and radio broadcasting, which are not stipulated for in this law, are being suspended.

In fact the laws of the Russian president "On the Federal Television and Radio Broadcasting Service in Russia" and "On the Russian Federal Information Center" are being revoked.

The Constitutional Court has confirmed the right of the representative bodies of power to be cofounders of state television and radio companies, which are being founded by the relevant bodies of executive power.

With regard to point three of the decision, which proclaimed the need for representative bodies to set up supervisory councils at the state television and radio broadcasting, the court has decided to "stop proceedings in this case," having referred to "the indefinite nature of its legal content."

The Constitutional Court will send to the Supreme Soviet Presidium a representation regarding violation of the procedure regulations of this decision from the point of view of the procedure for its adoption and publication.

Poltoranin's Media Center Abolished

LD2705123393

[Editorial Report] Moscow Radio Rossii Network in Russian at 1000 GMT on 27 May carries a report on the decision passed today by the Constitutional Court of Russia on the constitutionality of the resolutions of the Ninth Congress on ensuring freedom of speech in state television and radio.

Correspondent Yevgeniy Zherebenkov reports from the Constitutional Court room that "the Congress resolution contains two fundamental provisions: liquidation of the Federal Information Center, established by presidential decree, and formation by the bodies of representative power of observers' councils at state television and radio."

He further states: "The Constitutional Court acknowledged the congress decision on the liquidation of the Federal Information Center as being in keeping with the Constitution. As for the observers' councils, in view of some uncertainty about the juridical content of this point of the resolution, it was decided to end the proceedings in the case in this section."

Zherebenkov plays back part of the comment made by Mikhail Fedotov, the minister of press and information of Russia, who says: "The court acknowledged that the co-institution of representative bodies was unconstitutional in form, and this point of the congress was acknowledged as unconstitutional also in publication form. As for the next point, point three, concerning observers' councils, the Constitutional Court announced that its content was juridically indefinite and no decision could be made on it. In this case, the Constitutional Court said that this was a juridical phantom, a ghost. The meaning of this actual point on observers' councils is really unintelligible because during the case, we clarified that the observers' council could be good, could be bad, could be dependent on the state or independent."

"If they were led by someone like Academician Likhachev, that would be fine and it would be a high moral authoritiy; otherwise it could be horrible. So the court declined to pass a decision on that," he said, and added "the other decisions do not change anything."

Fedotov Calls For TV To Be Free From Politics

LD2705100393 Moscow ITAR-TASS in English 0858 GMT 27 May 93

[Text] Moscow May 27 TASS—TV should be as far away from politics as possible, Russian Minister of the Press and Information Mikhail Fedotov said today, speaking in the Utro (morning) programme of the Ostankino TV channel. He described as unrealistic the attempts to divide air time between dozens of political parties and public movements.

In his opinion, newspapers are meant for political debates, while TV audiences "are interested most of all in news, good entertainment and sports programmes". Fedotov recalled that TV political advertising is banned in many countries.

Pointing out that TV was used for political advertising purposes during preparations for the referendum, he urged "to work out other, more civilised ways of using TV during electoral campaigns."

Speaking about the problem of control over TV, Fedotov pointed out that all parties to the conflict agree that "TV should be controlled by an independent, non-state and much respected authority". The difference is that "our opponents believe the Observer Council, created by the Congress of People's Deputies, is this very authority." The resolution of the congress says, however, that it should be made up of people's deputies representing various parliamentary groups, which means that it will be very much politically-minded, and "nothing is said about inviting there really much-respected, independently-minded people with high moral standards".

Constitution Issues

More on Council of Heads of Republics Meeting

Statement Issued on Constitution

PM2705155793 Moscow ROSSIYSKAYA GAZETA in Russian 28 May 93 First Edition p 1

[Unattributed, untitled report]

[Text] On 26 May the participants in a session of the Council of Heads of Republics rejected the draft statement proposed by President B. Yeltsin and prepared by S. Shakhray.

The heads of the republics within the Russian Federation harshly criticized the "presidential" draft of the constitution and demanded that the president sign the edict "On Urgent Measures for State Building of the Russian Federation." The Political Statement signed by 16 heads of sovereign republics states that the urgent completion of the elaboration of a package of documents ensuring the implementation of the Federation Treaty is a mandatory condition of continuing work on preparing the new Russian Federation Constitution.

The leaders of the sovereign states within the Russian Federation demanded Yuriy Skokov's return to the post of secretary of the Council of Heads of Republics.

Statement by the Council of Heads of Republics

The Political Statement by the heads of the Russian Federation republics states: During 1992-1993 the Council of Heads of Republics of the Russian Federation has adopted decisions on the need to elaborate a mechanism for implementing the Federation Treaty as a mandatory condition of shaping the system of state administration and preserving the statehood and territorial integrity of the Russian Federation, and on completing the elaboration and adoption of the new Russian Federation Constitution with due regard for the special features of Russia's political system and the socioeconomic situation in its regions. But the partial implementation of the adopted decisions is being carried out in conditions of uncoordinated procedures and methods of carrying them out, with significant deviations from the established constitutional ways of implementing them and with a confrontation between the actions of the legislative and executive branches of power.

Expressing concern at the sociopolitical situation taking shape in society over the question of adopting the new Russian Federation Constitution and in connection with the unsubstantiated disregard for the demands to spped up the elaboration of a mechanism for implementing the Federation Treaty, we deem it expedient to declare the following.

1. The urgent completion of the elaboration of a package of draft laws and decrees of the Russian Federation Government ensuring the implementation of the Federation Treaty is a mandadtory condition of continuing work on preparing the new Russian Federation Constitution.

At the same time it is necessary to clearly define, in particular, the concept and status of the components of the Federation; the relationship between organs of power and administration at the federal, regional, and local levels; the system of managing the vital activity and the economy of the Russian Federation during the transitional period; the structure of the state's financial system with due regard for the aforesaid levels; the rights and responsibility of organs of state power and administration for the spheres of activity within their competence and also for actions which hinder their implementation. The mechanism for implementing the Federation Treaty must be in line with the proclaimed federal structure of a state formed on the basis of free and voluntary union [obyyedineniye] of the peoples of sovereign states and territories within the Russian Federation and must be taken into account when Russia's new Constitution is being elaborated.

2. The constitutional method of elaborating and adopting the Russian Federation's new Constitution can be applied only on the basis of a special law on the procedure for its elaboration, discussion, and adoption.

With a view to speeding up the adoption of the new Constitution, the elaboration and adoption of the aforementioned law must be effected within not more than one month.

3. We support the procedure for organizing the work on the required draft laws as outlined in the draft edict of the Russian Federation president, submitted for consideration by the 14 April 1993 session of the Council of Heads of Republics.

The statement was signed by: A. Dzharimov of the Republic of Adygea; V. Chaptynov of the Republic of Altay; M. Rakhimov of the Republic of Bashkortostan; L. Potapov of the Republic of Buryatia; M. Magomedov of the Republic of Dagestan; R. Aushev of the Ingush Republic; V. Kokov of the Kabardino-Balkar Republic; K. Ilyumizhinov of the Republic of Kalmykia-Khalmg Tangch; V. Stepanov of the Republic of Karelia; Yu. Spiridonov of the Republic of Komi; M. Nikolayev of the Republic of Sakha (Yakutia); A. Galazov of the North Ossetian SSR [Soviet Socialist Republic]; Sh. Oorzhak of the Republic of Tuva; V. Tubylov of the Udmurt Republic; V. Shtygashev of the Republic of Khakasia; E. Kubarev of the Chuvash Republic.

(The report on the session of the Council of the Heads of Republics and the Statement were received through ROSSIYSKAYA GAZETA channels.)

'Unprecedented Toughness' in Regions

MK2705094493 Moscow NEZAVISIMAYA GAZETA in Russian 27 May 93 p 1

[Radik Batyrshin commentary under "Commentary" rubric under general headline: "Heads of Republics Issue 'Constitutional' Ultimatum to President. Krays, Oblasts Demand Equal Rights With Ex-Autonomies. Boris Yeltsin Seems Likely to Support Them"]

[Text] A second successive session of the Council of Heads of Republics has proposed to the local leaders documents that are not quite acceptable to them. In April they were asked to sign an address to the nation calling for supporting Boris Yeltsin in the referendum; today they urge approval of the president's draft constitution of the Russian Federation. Yet, whereas in April the heads of the republics after all appealed to the electorate to take an active part in the referendum, yesterday no one signed, even in part, the draft statement proposed by Yeltsin. At the same time, the heads of republics for the first time issued a tough ultimatum: first a package of bills ensuring the implementation of the Federation Treaty and a law on procedures for elaborating and adopting the new Fundamental Law, and only then the adoption of the new Constitution. As becomes apparent from the document published, in the opinion of the majority of the republics, the elaboration and adoption of the new constitution is possible only after a corresponding law has been passed. Therefore the fate of the constitutional conference will directly depend on the Russian Supreme Soviet. Laws in this country are adopted by parliament, while the provincial leaders are insisting precisely on laws being adopted to implement the Federation Treaty and not a concept for its realization. This is so because laws, in contrast to a concept, are a real guarantee of making this treaty an effective document. The unprecedented toughness of the statement suggests that the provincial generals are no longer content with the president's promises. In exchange for their support of the constitution they demand that Yeltsin settle the old debts.

Four republics have refused to sign the statement: Karachayevo-Cherkessia, Mariy El, Mordovia, and Tatarstan. This, however, does not mean that the leaders of these republics are enthusiastic about Yeltsin's draft. Thus, on 25 May the Tatarstan Supreme Soviet subjected it to harsh criticism. Which goes to show that Boris Yeltsin's intention to ensure the adoption of the new constitution within a brief time span has come up against opposition from most of the republics.

Kostikov: Meeting Victory for Yeltsin

LD2605173193 Moscow Russian Television Network in Russian 1600 GMT 26 May 93

[From the "Vesti" newscast]

[Excerpts] The Council of Heads of Republics with the participation of representatives of interregional associations supported the presidential draft constitution and the idea of convening a constitutional conference, Vyacheslav Kostikov, the president's press secretary said. The participants in the meeting assembled today to discuss ways to implement the Federation Treaty which was adopted a year ago, but which is not yet working fully. [passage omitted]

Vyacheslav Kostikov described today's conference as a great victory for the president as he received support for his draft from the republics of the Russian Federation.

Further Kostikov Comment

PM2705114193 Moscow ROSSIYSKIYE VESTI in Russian 27 May 93 p 1

[Unattributed, untitled report]

[Text] A conference of heads of the republics within the Russian Federation was held at the President Hotel in Moscow yesterday. Leaders of regional associations also took part. Vyacheslav Kostikov, the president's press secretary, told your ROSSIYSKIYE VESTI correspondent that the conference's main task is to explain to the heads of the Russian republics the aims and paths of the constitutional process in Russia. Do not forget, Vyacheslav Kostikov stressed, that the Constitutional Conference opens 5 June. The present event is the last major consultation between the president and the heads of the republics and components of the federation. On the one hand, this gives the president an opportunity to set out his viewpoint on the so-called presidential draft

constitution and, on the other hand, to appreciate and understand the mood of the components of the Federation and heads of the republics. In addition, the most important task facing the president is to show to the heads of the republics how their interests have been taken into account in the new Constitution and how the Federation Treaty is integrated into the new Constitution.

Federation Treaty Discussed

PM2705092993 Moscow IZVESTIYA in Russian 27 May 93 First Edition p 1

[Report by Vasiliy Kononenko: "Russian President and Heads of Republics Seek Agreement on New Constitutional Field"]

[Excerpts] A session of the Council of Heads of Republics included in Russia was held 26 May at the President Hotel. There was one question on the agenda—the mechanism for implementing the Federation Treaty.

The day before the session your IZVESTIYA correspondent managed to have a talk on this subject with representatives of the republic, in particular with A. Galazov, chairman of the North Ossetia Supreme Soviet. He stressed that the main thing now is to prevent Russia's collapse. Behind every branch of power there stand specific social forces and if they start moving resistance will begin and that will mean that we have created conditions for wide-scale confrontation. That is why sane politicians are concluding that we must seek a compromise. It should be based on the Declaration on Russia's Sovereignty and the Federation Treaty. That treaty should be the basis of the Constitution. The constitutional conference should create a single draft. As for the mechanism for the adoption of the new Constitution, that could be the Congress—a wiser congress which has understood that it is not a street rally, A. Galazov stressed. [passage omitted]

At the end of the session the president's press secretary, V. Kostikov, told journalists that the majority of participants expressed themselves in favor of submitting the president's draft Constitution to the constitutional conference and here, he said, there is strong support for the president. It was also emphasized that the draft Constitution must be unified. If we nonetheless do not manage to unite the two drafts of the new Constitution, V. Kostikov said, the president still has a strong trump card: submitting his draft to a referendum. The session also decided to hold in the very near future in Petrozavodsk a conference of the heads of the republics in order to sign a document on the mechanism of the implementation of the Federation Treaty. That is possible as early as June.

'Alternative Constitutional Conference' To Meet 3 Jun

LD2605134193 Moscow ITAR-TASS in English 1306 GMT 26 May 93

[By ITAR-TASS correspondent Yuriy Vdovin]

[Text] Moscow May 26 TASS—An alternative constitutional conference will be held at the Moscow parliamentary centre on June 3 at the initiative of the non-government committee to protect the Constitution and constitutional system, ITAR-TASS learnt at a news conference organised on Wednesday [26 May] by lawmakers of opposition parliamentary groups and representatives from communist-oriented parties.

Legislator Gennadiy Sayenko told the news conference that the main aim of the event is "to discuss the situation in Russia in connection with a constitutional conference to be held in the Kremlin on June 5".

Sayenko stressed that "invitations to the conference organised by the non-government committee were sent literally to all parties, movements and mass organisations, while invitations to the Kremlin conference were received only by those registered at the Justice Ministry".

Lawmaker Ivan Fedoseyev expressed opinion that the Kremlin conference "should examine three completed draft constitutions—the president's, the one drafted by the constitutional commission and the draft compiled by the parliamentary group of the Communists of Russia Party.

In his opinion, "this will help to hammer out the most acceptable document".

Rutskoy Says He Was Not Invited to Conference

LD2605201293 Moscow Radio Rossii Network in Russian 1800 GMT 26 May 93

[Text] Vyacheslav Kostikov, the president's press secretary, has expressed doubt that Aleksandr Rutskoy will be able to meet representatives of the Russian and foreign media in the Kremlin. This statement by Kostikov followed a report by the vice president's press service on the holding of a news conference by Aleksandr Rutskoy on 28 May. Incidentally, at the moment Rutskoy is in no way under an information blockade. On 26 May he appeared on the Ekho Moskvy radio station. This is what he said, in particular, about the prospects for a constitutional conference.

[Begin Rutskoy recording] We will start with the fact that I have received no official invitation from the president to take part in the work of a constitutional assembly, nor have I received an instruction to attend a constitutional assembly. Nevertheless, I have my own opinion regarding a constitutional conference, or assembly, let's call it that. I have always maintained—why create more difficulties for ourselves when we already have enough as it is? We already have a constitutional commission: This commission could be supplemented with representatives of the subjects of the Federation, socio-political movements and parties, and they could carry out this work.

You must understand, the fact is that during the course of almost two years, we have not been dealing with what

we should be dealing. We should be dealing not with the politicization of society, but with real matters which would change the real state of affairs. And the real state of affairs today is such that we are absolutely nothing as a state, absolutely nothing as a democratic society, and—this is the worst thing—we are starting to degrade ourselves. [end recording]

Deputies Call For Single 'Coordinated' Draft

PM2605102793 Moscow PRAVDA in Russian 26 May 93 p 3

["Own Information" report: "War of Constitutions Will Lead to Nothing Good"]

[Text] A group of Russian Federation people's deputies including A. Anikiyev, M. Astafyev, S. Baburin, N. Pavlov, G. Sayenko and others have issued a statement in connection with attempts by radical political forces to split Russian society. They note that from a legal viewpoint the referendum failed to produce significant results for either side. The people are tired of political confrontation. The crisis can be overcome by speeding up the elaboration of a new Constitution. If we are really striving for a separation of the branches of power, then getting rid of one of them (especially the one which for many years did not enjoy respect here) should provoke a protest from all democratically inclined people.

The deputies declared their support for the government's and the president's actions to the extent that they are implemented lawfully. A Constitution means first and foremost accord within society. The published "presidential" draft does not serve that aim. A "war of constitutions" can only weaken our statehood all the more. The deputies therefore declare themselves in favor of preparing one coordinated draft Constitution incorporating all the valuable elements of both the Constitutional Commission draft and the "presidential" draft. The deputies resolutely favor the constitutional adoption of the new Constitution.

Constitutional Conference Process Questioned

PM2705102993 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition pp 1-2

[Political observer Aleksey Vorobyev commentary: "Acute Subjects Lacking a Procedure"]

[Text] The published presidential edict on convening a constitutional conference deserves to be looked at attentively by society.

The head of state, of course, is entitled to consult with various sociopolitical groups on how to inform people about the draft new fundamental law. More than that—he is simply obliged to do so, since the fate of our vast country will largely hang on the quality of the preparation done on this document. We now need to find an idea capable of uniting Russia's citizens in building a new statehood and an entirely different economy. The conference could finally end the political strife and mark the start of constructive work—there is still hope that this will happen. But there are also some very worrying points in the presidential edict.

The conference is meeting to "...complete the preparation of the draft." Vice Premier S. Shakhray has already said that it will take approximately 18 days. Can such important work be scheduled so confidently? The hero of a famous film once warned: "Even if you assemble nine women in the early stages of pregnancy, no child will be born after a week. An idea has to gestate." People have already been invited to complete the preparations, although it is still not known whether they all have a clear constitutional idea in mind and are ready to use collective wisdom to formulate it. What if it turns out that another six months' work needs to be done on the new constitution?

The edict relates to the finalization of the president's draft constitution. Why does it not relate to the two already published, which could be used as the basis for a third? This narrows the scope for political compromise from the outset, and restricts the participants in their search for constructive solutions. After all, some people could quite easily have fundamental objections to the president's draft—objections which it will simply be impossible to take into account within the framework of this version. What will people do then—abandon their own position in favor of that of the president? Rewrite the entire text or stage a walkout?

It is well known that democracy is possible only where there are precise and clear procedures. From this standpoint the scheme proposed by the edict for organizing the conference is very much open to criticism. "The representatives of federal organs... are made up of people's deputies who are members of the Constitutional Commission." Are all the commission members worthy of participation, or only some on a special list? And, in that case, what "offenses" would be used to exclude the others?

Just why should 50 representatives of the president and the government be due to work at the conference rather than 30 or 80? If the figure has been calculated with a view to balancing deputies' views, will not this approach turn a serious undertaking into just another political game?

There will probably be conflicts when representatives of Federation components are being delegated to the conference, particularly from those local executive structures where there have recently been new elections for administration heads. Political and social organizations and entrepreneurs have been given a quota of up to 250 people. There will probably be more people wanting to do the work. After all, almost every party leader will need at least one expert at the sessions. What rules then will be used to "screen" the lists?

Democratic politicians have already voiced their claims to a larger number of votes, given that they allegedly won

the referendum. It seems that the formal principle of registration at the Justice Ministry was selected to meet these demands, since the democrats have registered more party names. Nonetheless, somebody will have to personally exclude excess numbers, and it is very hard to believe that the person to do so will be a disinterested, independent figure.

The problem does not end with the number of representatives, however. Their composition will merely aggravate a more serious problem—under what standing orders will the debates be held, under what rules will changes to the text of the draft be made? How will people vote, and how will these votes be calculated chamber by chamber?

The broad political spectrum of those attending will very much complicate the elaboration of a unified version. The debate could drag on fruitlessly. In such a situation there would be a great temptation to make use of the likely (although not significant) democratic majority in order to adopt tough standing orders that would be very far removed from genuine democratic principles. Or to restrict things in general to the purely consultative method whereby the participants come up with ideas from which a selection is subsequently made by a very narrow group of officials drawn from among the loyal colleagues of the authors of the draft. This option is very likely, because the conference itself will be held under the clear patronage of the president and is profoundly geared to serving his constitutional aspirations.

The edict contains a very broad hint: "The text... prepared by the Constitutional Conference shall be submitted to the president." That is, hundreds of very busy people will sweat blood for some three weeks and may finally come up with something akin to a constitution, after which it will be ceremonially placed on Boris Yeltsin's desk. Then what? What will he do with this fruit of collective creation, where will he put it? Will he send it to the Congress of People's Deputies for ratification, or will he sit down to do further work on it with Shakhray? Just what obligations is the president undertaking himself in staging such unpredictable consultations for the fate of the fatherland?

The edict says nothing about this. Although it is this point that will probably give rise to the most heated disputes at the conference. Some of its participants will clearly be attempting to dodge the procedure of legal ratification of the draft, turning the conference into a kind of constituent conference. Others will make every effort to keep their colleagues within the framework envisaged by the existing Constitution. The main constitutional battle is planned in this area. Whether agreement will be possible remains to be seen. One thing is obvious—the country can expect another acute political event.

Some Opposition Deputies Advocate 'Boycott'

PM2705114793 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 May 93 p 1

[Olga Gerasimenko report: "Factions Confused"]

[Text] There is just over a week to go before the Constitutional Conference opens in Moscow. According to the president's 20 May edict, each faction of Russian Federation people's deputies is legally entitled to one seat in the Constitutional Conference. It is time to decide who the personalities will be, but the question of actually being able to take part in this "political showdown" remains open for certain parliamentary factions.

The "Democratic Russia" Coordinating Council statement—issued on the same day as the president's edict—announced the tactic of supporting the convening of the Constitutional Conference "as a consultative organ."

It is hardly appropriate to say that the so-called "centrist" Supreme Soviet factions have a united position, owing to the lack to this day of an even slightly formulated political center in society.

On the other hand, there is a classically (theoretically and organizationally) constructed parliamentary opposition, but it too is confused. United only in defining the Constitutional Conference's role as being a consultative conference with very limited powers—"bringing the voice of the public to the attention of authoritative state structures"—the opposition has "split" on a tactical issue: Is it worth going to the Kremlin at all? Some opposition deputies consider it possible to take part in the Constitutional Conference. But with the rider that the opposition members reserve the right to walk out in the event of an attempt by the conference to arrogate any powers to itself.

The rest of the opposition-minded deputies—and there are a considerable number of them—advocate a boycott of the Constitutional Conference convened by the president.

N. Pavlov, coordinator of the "Russia" faction, believes that there are at least three reasons currently making him refuse to participate in the Constitutional Conference—the "way that the president's draft constitution is blatantly geared to a ferocious authoritarian regime without the slightest hint of democracy;" the carefully elaborated mechanism for forming the Constitutional Conference, which is aimed at ensuring a solid pro-presidential majority; and the fact that the deputy has a certain code of ethical norms that rule out the manifestation of any sign of "goodwill" toward the president.

"State acceptance" of this draft law that has been so long in the making is already slated for 17 November this year. But a "rival" has unexpectedly emerged. Incidentally, according to rumors stubbornly circulating at the Supreme Soviet, there is also a... third "presidential" draft constitution in existence. Its author is President Kirsan Ilyumzhinov of Kalmykia.

'Russian Unity' on Constitutional Conference

PM2705100393 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition p 2

[Unattributed report: "Consult as You Please: This Does Not Damage the Law"]

[Text] "The first steps along the path of introducing general conformity of ideas"—this was how People's Deputy Nikolay Pavlov, speaking at a routine sitting of the "Russian Unity" opposition parliamentary factions bloc, described the attempts made by the executive authorities to suspend publication of DEN until a court ruling is made.

"Many public figures and journalists may not agree with the stance of DEN, and they may not accept the way that materials are presented in the publication in question, but the actual fact of an extrajudicial ban on a press organ must alarm anyone who is trying to live in a democratic society," one of the leaders of the parliamentary opposition said.

It was wittily noticed that newspapers such as DEN and MOSKOVSKIY KOMSOMOLETS are very similar in the way they assimilate and reflect the surrounding political reality; they just happen to be at opposite ends of the political spectrum. But why do officials turn a blind eye to the sharp and extreme stance taken by one, while they react like a bull at a red rag to the other?

People's Deputy I. Shashviashvili rejected as nonsense not worthy of any discussion whatsoever V. Chernomyrdin's report to the effect that the demonstrators who came to blows with an OMON [Special Purpose Militia Detachment] detachment 1 May were apparently supplied with cobblestones from trucks especially allocated for this purpose.

However, the main theme of the opposition bloc's sitting was the problem of the discussion in the country of the drafts of the new constitution. The opposition leaders shared a curious observation with those present. In their opinion, the public has not yet discerned the basic reason for the unexpected appearance of the president's draft—the complete failure of candidates from the democratic parties at the elections of local administration heads. The results of these elections convinced the president's closest entourage that their supporters have no chance of being elected to the new parliament in the next 18 months, and it was in connection with this that it was decided to put an end to parliamentarianism in Russia immediately.

Vladimir Isakov, one of the leaders of "Russian Unity", noted that discussions on the drafts of the constitution in the regions are proceeding completely differently from the way the democratic press is presenting it. Representatives of the majority of subjects of the Federation are well aware of the shortcomings of both versions of the new Basic Law, they are demanding that thorough additional work is done on them, and they are stressing the need to adopt the new Constitution only according to the procedure established by law.

People's Deputy G. Sayenko reported that the public committee for the protection of the constitutional system has decided to hold its own constitutional conference at the beginning of June, where it is proposed not only to examine the existing drafts but also to prepare a completely new version of the Basic Law. He then invited S. Filatov and S. Shakhray to take part in this conference: They displayed such enviable concern about the new constitution today.

Faction Wants Constitution Based on Federation Treaty

PM2605131793 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition p 2

[Aleksandr Linkov report under the "Parliamentary Factions" rubric: "Russia Must Not Be a Unitary State"]

[Text] If the accelerated imposition of the new constitution continues, a Belovezhskaya Forest-type process—which served to break up the USSR—could begin in Russia.

That was one of the suggestions made at a conference of the Sovereignty and Equality parliamentary faction.

The topic of discussion concerned the incorporation of the Federation Treaty in the two current drafts of the Constitution. Alas, both of them, in the opinion of the participants in the discussion, ignore that highly important document. The treaty should not simply be incorporated in the form of a section of the Basic Law, it should permeate every article of it.

Conference participants spoke with alarm about the drafters' intention to maintain Russia as a unitary state.

What is more, the republics simply will not tolerate the diktat which the center wishes to exercise and which is to be seen particularly clearly in the president's draft constitution. Another serious objection is that it takes virtually no account of the fact that the Russian republics are sovereign and have their own constitutions operating on their territory. While the proclamation of the paramountcy of federal over local law is nothing more than yet another attempt to direct everyone from the center.

People's Deputy U. Temirov, coordinator of the faction, presented the conference participants with the draft statement which this parliamentary group intends to issue. It talks of the need to continue the serious work of creating a single draft of the new constitution in which the Federation Treaty—as the basis of a strong future Russian state—should occupy the dominant place.

Parliamentary hearings discussing the progress of work on further refining the new draft Basic Law opened in the White House on 25 May on the Constitutional

Commission's initiative. Participants include representatives of components of the Federation and people's deputies. Discussion will most likely be trenchant.

'Emphasis' Shifting From Republics to Local Authorities

MK2505112093 Moscow SEGODNYA in Russian No. 19, 25 May 93 (signed to press 24 May) p 2

[Sergey Parkhomenko report: "Constitutional Conference: At a Square Table With Five Sides. As It Searches for New Partners, Kremlin Assimilates Novo-Ogarevo Experience"]

[Excerpt] [passage omitted] Four out of five chambers (probably, it would be more precise to call them factions) that will make up the conference at the request of the president, are to be formed in such a way that the administration will be assured at least parity in the distribution of votes. Fifty Kremlin representatives appear to be perfectly capable of balancing the initially lopsided shares of parliamentary reformers and conservatives in the federal authorities faction. The faction of Federation components, by definition, will be split into two equivalent subgroups—delegates from executive and legislative branches—because Boris Yeltsin no longer intends to accept the system of their nomination as the territories' "internal affair," as was stated on 29 April, but to insist on a completely certain procedure. Mandates in the "partisan" and "entrepreneurial" factions will also be automatically split into two approximately equal halves.

But the seemingly complete symmetry of this square table was deliberately broken with the emergence of the fifth side designed for representatives of "local self-government." Apparently, it is this side that the drafters of the presidential plan count upon as a partner at the final stage willing to ensure them a majority. This presumption was completely confirmed by acknowledgements similar almost to the word your SEGODNYA correspondent happened to hear from a number of high-ranking administration officials, who carefully asked that they not be identified. Here is one of them: "We will gradually shift the emphasis in contacts, talks, and financial backing from the republics and oblasts down to the administrations at the city level or at the rayon level at best. We are ready to collaborate even with some large enterprises. But there should be no authority "padding" between the grass-roots administrations and the center. Let the republics keep their flags, anthems, presidents, and other trappings..." [passage omitted]

Commentary Supports 'Third Way' on Constitution

PM2605145593 Moscow ROSSIYSKIYE VESTI in Russian 26 May 93 p 1

[Commentary by Sergey Stankevich: "We Must Proceed From Russia's Interests"]

[Text] Many people now are asking: "Is it worth being in such a hurry to adopt the Constitution?" In my view, yes. The new Constitution is essential, preferably as early as this year. You only have to recall that this Constitution, unlike the American Constitution, will hardly be in operation for 200 years. In countries going through periods of intensive activity it is always more expedient first to introduce a constitutional act which enshrines the transitional state of the state and society. When the fundamental features of the new Russia are naturally determined then it will be possible to adopt a permanent Constitution geared to the long term. But now we must hurry with a constitution which will enable us to overcome the complex transitional period peacefully, without great losses, and in a civilized fashion. I think this transitional period will last about 20 years. And in my view we are already behind in implementing constitutional reform, which should have been begun at the end of 1991, at a time more favorable to it.

Among the most important elements of the Constitution of the transitional period is the formula of Russian federalism. A clear delimitation of powers and responsiblities between the center and the components of the Federation is emerging. An as yet unresolved problem which still persists is the inequality of the republics on the one hand and the krays and oblasts on the other. It is apparent that in this respect the Constitution will be updated several more times yet.

Another pretty important topic will be the elaboration of models of local self-government, which for the first time is being taken outside the system of state power and acquiring a unique kind of legal sovereignty within the limits of its powers. This is a fundamental breakthrough.

The main question, of course, will concern the rights and powers of the executive branch. A period of intensive reform usually requires the executive branch to have relative dominance in the system of state institutions, but this does not mean that it has to turn into an authoritarian monopolist. If a strong executive branch ensures the necessary dynamics and continuity of the reformist course, the legislative branch must ensure the consolidation of the results achieved and make corrections to the course itself, steering it into a specific legal channel. I therefore re-emphasize that at this time we need a constitution which enshrines the special characteristics, conditions, and tasks of the transitional period, primarily those relating to the specific mode of interaction between the federal authorities themselves and between the federal authorities and the components of the Federation. As for the existence of two draft constitutions—the Constitutional Commission's and the president's—in my view they are perfectly compatible and the best thing would be to remove the confrontation between them by combining them in an integrated draft on which all efforts shopuld be concentrated.

The arguments about which of these drafts should be used as a basis are largely artificial. It is Russia's interests

which should be used as the basis; it is these interests which should be the point of departure when working on both drafts.

The new constitution must be legitimate. The method by which it is adopted therefore assumes exceptional importance. Theoretically there are three possible options. First, it can be done by a specially elected Constitutional Assembly. The second option is adoption of the constitution by referendum, and the third is its adoption by a new professional parliament.

The idea of a constitutional or constituent assembly is now pretty popular, and it is difficult to object to it, but in my view it is difficult to achieve in current conditions. It would be very difficult to elect such a body, since the nonparticipation in elections of even a few of the republics belonging to the Russian Federation would call into question both the legitimacy of the constituent body and any document approved by it. But if such a constitutional assembly was based on any artificial model without elections, its status and the legitimacy of the resuilts of its work would be even lower.

Let us now look at the possibility of adopting the constitution by referendum. It is perfectly obvious that the minimum requirement for this would be the support of a qualified majority of the total number of voters, and in current conditions this would be difficult.

In this connection I—unlike many others—think that the most realistic is a third way, which looks like the following.

The convening in early June of a consitutional conference, which uses a unified draft constitution as a basis and discusses a **constitutional law for the transition period.** This constitutional law should resolve only two problems—the establishment of a two-chamber professional parliament and a procedure for elections to it. I hope that the Constitutional Conference will find agreement on this matter, and then, by enacting the constitutional law, we could hold parliamentary elections as early as the fall of 1993.

I consider that it would also be possible to hold a simultaneous **consultative** referendum on the basic principles of the Russian Constitution supported by the June Constitutional Conference.

The Russian parliament elected on the basis of this model would have to adopt a new Russian Federation Constitution on the basis of the draft formulated by the Constitutional Cobnference and of the results of the consultativew referendum.

In my view this way of adopting the new Russian Constitution could be the most optimal, painless, and peaceful and—most importantly—would be totally legitimate.

Opinion Poll Shows Support for Yeltsin's Draft

LD2605200393

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1557 GMT on 26 April carries the 45-minute "Public Opinion" program presented by Tamara Maksimova. The program took the form of phone-in voting sessions on points of difference between the president's draft constitution and the parliament's draft, punctuated by a debate between Oleg Rumyantsev, secretary of the parliament's Constitutional Commission, and Petr Filippov, member of the Presidential Council, speaking for the presidential draft, and by contributions from the studio audience.

The preliminary question for viewers at home was: What should the new constitution guarantee first and foremost? Viewers said the following:
—citizens' rights and freedoms—54 percent
—the role of the president as the guarantor of stability—22 percent
—the role of parliament as the guarantor of stability—10 percent
—the formation of a government of popular trust—2 percent
—the development of a market economy—6 percent
—the proper development of the nation—1 percent
—the powers of the republics, krays, and oblasts of the Russian Federation—2 percent
—the fairness of the Constitutional Court—1 percent

The results of this preliminary question fixed the agenda for the rest of the program. The questions and answers were:

Question 1: Which of the draft constitutions fully guarantees citizens' rights and freedoms?
—President's draft—63 percent
—Parliament's draft—36 percent

Question 2: Which of the draft constitutions fully guarantees the role of the president as the guarantor of Russia's stability?
—President's draft—55 percent
—Parliament's draft—44 percent

Question 3: Which of the draft constitutions fully guarantees the role of parliament as the guarantor of Russia's stability?
—President's draft—57 percent
—Parliament's draft—43 percent

Question 4: Which draft constitution do you support?
—President's draft—51 percent
—Parliament's draft—45 percent
—Compromise draft—3 percent

Question 5: How should the new constitution be adopted?
—By constituent assembly—54 percent
—By congress—36 percent
—By referendum—9 percent

The program ends after the results of all the questions are given.

Military & Space Issues

Yeltsin Directive on Commemorating War Victims

PM2705094793 Moscow KRASNAYA ZVEZDA in Russian 25 May 93 p 1

["Directive by Russian Federation President On Observing Fatherland Defenders' Commemoration Day," signed by Russian Federation President B. Yeltsin, dated 21 May 1993]

[Text] 1. In connection with the observance of Fatherland Defenders' Commemoration Day on 22 May, heads of the executive authorities of republics within the Russian Federation, of krays, oblasts, the cities of Moscow and St. Petersburg, and autonomous formations, and the heads of the local administrations should:

analyze progress in work to put into effect the Russian Federation Law "On Perpetuating the Memory of Those Who Fell Defending the Fatherland," and also devise activities timed to coincide with Fatherland Defenders' Commemoration Day aimed at restoring and tidying up military burial places, memorials, and obelisks, at perpetuating the memory of the fallen, and at activating military-patriotic work, and research in the field;

form organization committees with the particpation of social protection bodies, councils of veterans' organizations, and other public associations for the coordination of work to prepare and hold Fatherland Defenders' Commemoration Day, and take specific measures to investigate the living conditions of people who have participated in the wars and of disabled front-line soldiers in order to promote an improvement in their living conditions, and in their medical and everyday services.

2. There should be concurrence with the proposal of public organizations of Great Patriotic War veterans to hold an all-Russian vigil of remembrance from 12 to 22 June 1993 inclusive, during which work should be organized to set up gravestones, monuments, commemorative pillars and obelisks, and to carry out other activities to perpetuate the memory of those who died defending the homeland.

[Signed] President of the Russian Federation Boris Yeltsin
[Dated] 21 May 1993

Yeltsin Congratulates Border Guards

LD2705100493 Moscow ITAR-TASS in English 0817 GMT 27 May 93

[By ITAR-TASS correspondent]

[Text] Moscow May 27 TASS—Russian President Boris Yeltsin expressed profound gratitude to frontier guards for steadfastly fulfilling their professional and patriotic duty. The president sent an address to the personnel of the Russian frontier troops in connection with the Frontier Guard's Day observed on May 28.

"At all times frontier posts reliably protected Russian people engaged in peaceful work, formed the first barrier in the way of enemy hordes. Frontier guards performed heroic, immortal exploit at the initial, most difficult period of the Great Patriotic War", Yeltsin said. "The glorious traditions of the past are worthily continued by the present generation of protectors of Russian frontiers. Frontier guards have the lofty responsibility for reliably defending the borders of new Russia".

Grachev Signs Directive on Service Contracts

PM2605115793 Moscow KRASNAYA ZVEZDA in Russian 26 May 93 p 1

[Anatoliy Stasovskiy report: "Students Must Make Up Their Minds To Sign Contracts by 31 May"]

[Text] The editorial office was told by the Russian Federation Defense Ministry Administration of Affairs that Army General Pavel Grachev, Russian defense minister, signed directive [direktiva] D-52 20 May "On Final-Year Students of Professional Military Educational Establishments That Have Not Concluded Military Service Contracts." The directive was registered with the Russian Federation Justice Ministry 24 May, registration number 257.

The directive says in particular that students completing their education in 1993 who fail to conclude by 31 May 1993 a Russian Armed Forces service contract in accordance with Article 60 Point 1 of the Russian Federation Law "On Military Service Obligation and Military Service" will be liable to discharge from military service on the grounds of Article 60 Point 5 of the above law.

The directive says that Russian Federation Armed Forces military service contracts are not to be concluded with students completing their education in 1993 who have expressed a desire and have grounds to perform their military service in the Armed Forces of former republics of the USSR.

The directive comes into force as soon as it is published.

Leaders Assess District, Fleet Combat Readiness

PM2605113793 Moscow KRASNAYA ZVEZDA in Russian 26 May 93 p 1

[Report by correspondents Vladimir Shirokov, Valeriy Gromak, and Anatoliy Ivanov: "Some Discharged From Their Posts, Others Given Encouragement: Despite Varying Combat Training Results, There Is a Perceptible Trend Toward Stabilization"]

[Text] A comprehensive performance evaluation of combat readiness, the planning and organization of combat training, and the state of military discipline and

physical training is being carried out in the military districts and fleets by the Russian Defense Ministry. Our correspondents report some of the results of the inspection of the Pacific Fleet and Far East Military District units on Kamchatka and Sakhalin.

Colonel General Georgiy Kondratyev, Russian Federation deputy defense minister, who headed the inspection of the Pacific Fleet and the Air Army and Air Defense Forces units of the Far East Military District, analyzed the state of their combat readiness and military discipline during the winter training period when summing up the results in Vladivostok.

The differing nature of the results achieved in different military collectives was graphically illustrated by two episodes. The deputy defense minister stated that Lieutenant Colonel Sergey Kriger, commander of a tank regiment of a Pacific Fleet naval infantry combined unit, would be discharged from his post, his unit having obtained an unsatisfactory rating during the performance evaluation. And there and then Colonel General Kondratyev awarded the insignia of captain first rank to Captain Second Rank Vladimir Chernyavskiy, commander of the large ASW ship Admiral Vinogradov. The Russian Federation defense minister awarded the ship's commander early promotion because of the high marks obtained by his crew during combat training.

The conclusion is not difficult to draw: Notwithstanding the economic and other objective reasons which do leave their mark on the costly and labor-intensive process of combat training, a lot depends on commanders' volition, singlemindedness, and ability to put their energy into what's most important. Lieutenant General Aleksandr Sokolov, deputy commander in chief of the Ground Forces, and Colonel General Viktor Chechevatov, commander of the Far East Military District, who headed two inspection groups on Kamchatka, in conversation with a KRASNAYA ZVEZDA correspondent, described the performance evaluation results of the Kamchatka flotilla and the units under district command as satisfactory. If you bear in mind that many Pacific Fleet units and ships and district units obtained these and higher marks, it becomes clear that more and more commanders are squaring up to combat training and leaving yesterday's disorders behind them.

In conversation with our correspondent, Admiral Igor Kasatonov, first deputy commander in chief of the Navy, also expressed satisfaction with what had been achieved in the winter. The difficult situation the Baltic Fleet sailors have found themselves in since the formation of independednt Baltic states was bound to affect the standard of combat training. After visiting Tallinn and Paldiski and meeting with Estonian Prime Minister Mart Laar and Kaliningrad Oblast administration chief Yuriy Matochkin, Admiral Kasatonov considers that the fleet has the opportunity to give more time to questions of combat training in the new period.

"Personally, I am not pessimistic about the Baltic Fleet's future," Igor Kasatonov said.

Military Production Conversion Strategy Viewed

LD2605185193 Moscow ITAR-TASS World Service in Russian 1125 GMT 26 May 93

[By ITAR-TASS correspondent Sergey Ostanin]

[Text] Moscow, 26 May—The negative experience of the collapse of the military-industrial complex during the course of the process since 1985 of the conversion of military production and the positive experience of the work of individual enterprises has been built up in Russia. Despite a law which was adopted, there is no proper control over conversion on a nationwide scale in the country. An ITAR-TASS correspondent was informed of this today by academician Yuriy Yashin, chairman of the State-Technical Commission of the Russian Federation, who was speaking at the opening of a plenary session of the congress called "The Strategy of the Conversion of Military Production" at the military academy of the General Staff of the Russian Federation Armed Forces. Representatives of the Ministries of Defence and Finance of the Russian Federation, the Russian Federation State Committee for Defense Industries, the military academy of the General Staff, scientific research institutes, and business and industrial centres of Russia, and a number of foreign countries are taking part in the work of the congress which is being held witin the framework of an international forum "world experience and the Russian economy".

According to Academician Yashin, "without strategy there can be no optimum process of conversion." In his view a basis for this could be formed by divising a concept of national security, military doctrine, and a program for the production of armaments and military equipment.

Yuriy Yashin expressed the hope that during the course of an exchange of opinions the participants in the congress would not only analyze international experience and the present-day practice of the conversion of military production, but also work out specific recommendations for Russia's government and military-industrial complex. All this, academician Yashin said, will be included in a memorandum of the congress to the Russian Government, a draft government decision on conversion and a declaration addressed to the president and the country's leaders. It is expected that these documents will be discussed and adopted on 27 May, the final day of the congress.

Details of 'Molniya-1' Satellite Launch Given

LD2605205393 Moscow ITAR-TASS in English 2028 GMT 26 May 93

[Text] Space Mission Control Centre May 27 TASS—A communication satellite "Molniya-1" was launched into space from the Plesetsk cosmodrome on Wednesday [27

May] to maintain the operation of a system of long-distance telephone, telegraph and radio communications, and transmission of programmes within "Orbita" television network.

The satellite was taken into orbit by the Molniya booster rocket with the apogee of 40,883 kilometers in the northern hemisphere and the perigee of 454 kilometers in the southern hemisphere.

The period of revolution—12 hours 17 minutes; the inclination of the orbit - 62.7 degrees.

Economic Issues

Vice Premier Addresses Agricultural Conference

LD2605181693 Moscow ITAR-TASS World Service in Russian 0758 GMT 26 May 93

[By ITAR-TASS correspondent]

[Text] Volgograd (Volga region), 26 May—"In spite of immense difficulties, farmers favor the continuation of reform, a change in economic relations and greater agricultural production," Aleksandr Zaveryukha, deputy chairman of the Council of Ministers, said this at an all-Russian conference on agriculture which opened today in Volgograd. He delivered a report in which he proposed measures to stabilize the situation in the agro-industrial sector and to intensify agricultural reforms in Russia.

According to Aleksandr Zaveryukha, "agriculture was cast into the market maelstrom without sufficient theoretical or practical preparation." That is why there have been no substantial changes on the food market over the last 18 months. The vice premier called for the improvement of all forms of farm management while stressing their equality. He paid much attention to financial activities in the sector and to the problems of taxation and investment.

The conference is being attended by deputy heads of administration from all regions, heads of agricultural bodies in the oblasts, krays, and republics making up the Russian Federation, heads of economic services in the agro-industrial sector, and scientists from the Russian Academy of Agricultural Science.

Progress of Privatization Process Reviewed

PM2705091993 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition p 4

[Report "Based on RIA-Novosti Material" from the "Yesterday, Today, Tomorrow" roundup: "One-Half of All Small Enterprises Are Now Private"]

[Text] **A modified draft of the 1993 privatization program will be examined at a government sitting in the near future.**

This draft places the main emphasis on check privatization and on extending the right of regions to conduct it. D. Vasilyev, deputy chairman of Goskomimushchestvo [State Committee for the Management of State Property], spoke extremely negatively about the idea of introducing personalized [imennyye] privatization accounts.

Commenting on the president's edict "On State Guarantees of the Right of Russian Citizens to Participate in Privatization," D. Vasilyev drew attention to the clause under which no less than 29 percent of joint-stock companies' shares are liable to be sold at check auctions within three months after the creation of these companies.

In this way, the shares will not sit idle, and this includes in property funds. At the same time, Russia's Property Fund has set itself the task of selling those shares which were not sold previously. The cost of shares in the federal and local property funds amounts to several billion rubles [R]. The Russian Government is instructed to secure the sale of the shares of no less than 2,000 enterprises in the first half of 1993.

The use of privatization checks by check investment funds for reasons other than to acquire the shares of enterprises undergoing privatization is forbidden.

According to data from the Russian Goskomimushchestvo Information Administration, 61,810 enterprises switched to private hands during the privatization period up to 1 April 1993.

Some 42,788 privatization applications were at the stage of being implemented. Overall, 194,190 state enterprises were being floated in the country by 1 April. This means that the number of private sector enterprises will soon reach one-half of the number of state sector enterprises. In particular, the Information Administration notes the process of leveling out the pace of privatization in various spheres: 52.9 percent in the sphere of municipal services, 52.3 percent in trade, 47 percent in public catering.

The Russian Government is prepared to exert financial pressure on regions where the process of privatization has come to a halt, Vice Premier Anatoliy Chubays declared, speaking at a conference of representatives of regional property management committees.

A. Chubays noted that, despite the the fact that certain regions have adopted decisions to suspend privatization, the government "has a complete arsenal of resources to compel any management organ to observe citizens' rights during privatization." In the vice premier's words, the greatest concern is prompted by the recent drop in pace of denationalization when conducting the small-scale [malaya] privatization.

State Privatization Program 'By No Means' Fulfilled

PM2705100593 Moscow IZVESTIYA in Russian 25 May 93 First Edition p 1

[Igor Karpenko report: "Voucher Auctions Gather Pace"]

[Text] The State Committee for the Management of State Property has supplied foreign and Russian journalists with an analysis of the development of privatization in Russia.

The main instrument of the privatization of industry this year has been check auctions. They are already being held in 72 regions covering almost the whole country. The only "gaps" are in the republics of the North Caucasus, Tatarstan, Bashkortostan, and Arkhangelsk, Lipetsk, and Tula Oblasts. There are currently 17 privatization centers in Russia organizing all-Russia auctions. The first of these sold off the property of Moscow's ZiL Motor Vehicle Association. The results of the second auction, at which shares in Uralmash and the Urals Pipe Plant were sold, are currently being assessed. The third auction has already begun. These nationwide auctions will now be taking place continually.

The fact that these voucher auctions are steadily gathering pace is shown by the growth in the number of enterprises which have moved from state to private hands. Whereas there were fewer than 20 of them in December, and slightly over 100 in January, the figure was 200 in February, 400 in March, and 584 in April.

Nonetheless, we should not be too complacent about these figures. After all, the 1992 state program for the number of enterprises to be moved into private hands has still by no means been fulfilled. Only slightly more than 10 percent of the population's checks have been presented. In other words, 15-20 million, but people still hold more than 130 million of them. And they have to be used before the end of this year. That is why the presidential edict "On State Guarantees for the Rights of Russian Citizens to Take Part in Privatization," which stipulates tough punishments for any attempt to slow down the privatization process, is most timely.

End of 'Unnaturally Low' Gas Prices Brings Problems

PM2705101793 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 1

[Mikhail Berger report: "Another Difficult Step on Road to Market—Prices of Petroleum Products Set Free"]

[Text] It became known 24 May that the Russian president had signed an edict limiting to 25 May the effective period of retail price ceilings for the consumer for petroleum products.

Translated from officialese into comprehensible language, this means that gasoline will now be sold at a higher price than before. The official report disseminated by INTERFAX contains a sentence to the effect that a previous edict of the Russian Federation president had fixed the maximum retail price for petroleum products at the level which was in effect through 1 March 1992. If we once again simplify the above so that it is comprehensible to all, it should be recalled that gasoline prices were simply frozen in the first half of April after the well-known attempt to increase them in Moscow from 40 rubles [R] to R80 per liter.

It is, of course, possible to regard this edict of the president as another step toward liberalizing the prices of energy sources, and to a certain extent this will tally with reality. But at the same time it should not be forgotten that they were, nonetheless, frozen just over a month ago. According to the official version, this was done for the purpose of better organizing field work. This would appear to be logical: Agriculture receives a 50-percent subsidy to cover the cost of fuels and lubricants, and the state subsidy increases accordingly when prices rise. Is it not simpler, therefore, to subsidize production of petroleum products, which, purely technically, is easier to organize? It might be simpler, but the countryside consumes 45-50 percent of the fuels and lubricants, and consequently the rest would receive a subsidy just to keep it company, as it were. The present campaign, i.e. the subsidizing of gasoline prices, has cost the treasury approximately R85-100 billion a month.

The fact that the gasoline price freeze coincided with the preparations for the referendum gives grounds for assuming that the "rural argument" was not the chief one or, at least, not the only one. Even people far removed from automobile and political problems realized that it would not be possible to maintain unnaturally low fuel prices for long. This was indeed the case. Now that the amnesty on oil prices has expired in connection with the ending of the spring field (and other) work, we can try to estimate how much the liberated fuel will cost.

Simple operations involving the average exchange price of oil (approximately R25,000 per tonne), the cost of production, and all sorts of "extras" in the form of road tax, VAT, the supply and sales surcharge, etc. bring us to a figure of R62 per liter. But this is the lowest possible price. In practice it will probably be close to the one that they tried to establish back in April—R80 per liter. If the price of oil does not come to a halt, the cost of gasoline will also increase correspondingly. There is not just little hope that the price of oil will stop increasing—there is no hope at all. Moreover, Sergey Aleksashenko, executive director of the Expert Institute, draws attention to the fact that its cost has increased a thousand-fold compared with the old state price, while the dynamics of the cost of gasoline has been lagging badly behind over the same period. So, as we see, reserves do exist.

It remains unclear whether a new "freeze" on gasoline prices awaits us with the onset of fall field work or

whether, if there is no referendum or something similar, we will have to cope with free prices.

Supreme Soviet

Constitutional Commission Official on 'Two Drafts'

LD2605163193

[Editorial Report] Moscow Programma Radio Odin Network in Russian at 0730 GMT on 26 May carries a 9-minute interview, live or recorded, with Oleg Germanovich Rumyantsev, executive secretary of the Supreme Soviet's Constitutional Commission, conducted by Aleksandr Ruvinskiy.

Talking about yesterday's parliamentary hearings, Rumyantsev says: "The regions analyzed the decisions adopted by republican, oblast, and kray soviets—our commission has already received about 50 such decisions from soviets, from representative bodies in the provinces—and none of these decisions say that the president's draft should be adopted as a basis. It shows that if we really want a compromise, if we want accord—and all the regions are almost unanimous in their calls for accord, for avoiding a situation where we would have two constitutions in the country—I hope that the president's constitutional conference will heed the voice of the regions, none of which adopted the president's draft even as a basis. Therefore we have two drafts, and the differences between them ought to be reconciled. But let me be frank, Aleksandr Andreyevich: I believe that reconciling these fundamental differences is almost impossible, at least very difficult." He says that very few republics objected to both drafts.

Rumyantsev goes on to say that in the president's draft there is no mention of a social state, which he defines as "a minimum set of obligations on the part of the state to ensure social protection of its citizens." Neither does the president's draft impose any restrictions on private ownership of land, whereas the one put forward by the Constitutional Commission sets strict limits on how much any one owner may possess. "Therefore it is obvious, I believe, that the president's draft caters to radical and liberal aspirations of a very narrow stratum representing large capital, while our draft is directed toward the general public, toward the middle class. This is the fundamental difference between them."

Asked what further work on the Constitutional Commission's draft is envisaged, Rumyantsev says: "At present, six groups are working on the six sections of our draft: basic provisions; human rights and freedoms; civic society; federal structure; form of government; and procedures for the adoption of the constitution. We are getting ready to submit to the constitutional conference on 5 June an elaborated draft from the Constitutional Commission, to meet the president's side half-way. However, we will press, and press hard, for the president's side to change their stand with regard to their intention only to discuss the president's draft. This is inadmissible, since this is nothing but claiming a monopoly on truth, which is precisely what we are trying to avoid."

Details of Hearings on Draft Constitution

PM2705090993 Moscow ROSSIYSKAYA GAZETA in Russian 26 May 93 First Edition pp 1, 2

[Aleksandr Linkov report under the "Parliamentary Hearings" rubric: "One Thing Is Clear: The Law Is Being Adopted Legally"]

[Text] Parliamentary hearings devoted to the conclusion of work on the new draft Constitution opened in the Russian Federation Supreme Soviet yesterday. They are being conducted in accordance with the Supreme Soviet decree dated 29 April. Representatives of Russian republics, krays, oblasts, and autonomous oblasts, together with experts, legal experts, and people's deputies, are taking part. The hearings will go on until 5 June. During these hearings, observations and proposals which have been received in connection with the draft Constitution prepared by the Constitutional Commission will be discussed, and recommendations which many of the participants could work on during the upcoming constitutional conference will also be worked out.

Opening the hearings, N. Ryabov, deputy chairman of the Constitutional Commission, stressed that the new Basic Law should be adopted in 1993 because following the referendum, the political crisis in the country has taken on a constitutional aspect. If this problem is not resolved, it will be impossible to deal with all the other problems.

Speaking of the direction of further work on the draft Constitution, O. Rumyantsev, responsible secretary of the Constitutional Commission, noted that the two drafts which exist today have a great deal in common and are entirely compatible, but a number of provisions in the presidential draft are generating serious criticism. There are also doubts as to the effectiveness of the work of the future constitutional conference. It can be assumed that it will be a parody of the Congress of People's Deputies.

The discussion which opened revealed the various points of view held by participants in the hearings, but there was also a consensus of opinion—that both drafts still have a great many shortcomings.

Unfortunately, so far no one has been able to say exactly how the new Constitution should be adopted. Only one thing is clear—that it can only be adopted legally. Any other way will lead to anarchy and the collapse of the country. According to Ye. Krestyaninov, Nizhniy Novgorod Oblast Soviet chairman, there is only one legal way of doing this now—through the Congress of People's Deputies. He believes that the following option is possible: a single draft, prepared by the constitutional conference, is submitted for initialing by the subjects of the Federation. After that, the Constitution is adopted by

the Congress of People's Deputies. But what happens if the latter does not support the Basic Law? Then provision will have to be made for the congress to give the constitutional conference the right to adopt the Constitution, and, as a last resort, an all-Russian referendum.

Many other questions connected with the constitutional crisis were also raised during the hearings. They will also be discussed at section sittings which will be held over the next few days. No doubt things will only become clear in the first few days of June, when the participants in the hearings gather again for their joint sitting.

Law Adopted on Additions to Criminal Code

PM2605111793 Moscow KRASNAYA ZVEZDA in Russian 22 May 93 p 4

["Own information" report under "From Official Sources" rubric: "You Will Not See Freedom for Ages If You Export the Wrong Thing in Circumvention of the Law"]

[Text] The Supreme Soviet has adopted the law "On Making Additions to the RSFSR Criminal Code" concerning the nonproliferation of weapons of mass destruction. The amendments are mainly aimed at protecting Russia's state interests when carrying out foreign economic activity in respect of exports of raw materials, semimanufactures, equipment, technologies, and scientific and technical information which could be used in the creation of arms and military hardware. Criminal liability for the illegal export of such goods is established.

In particular, punishment is envisaged for persons who engage in illegal export of semimanufactures, equipment, and services which could be used in the creation of nuclear, chemical, and other types of weapons of mass destruction or missiles for delivering them. The penalty is imprisonment for three to eight years with or without confiscation of property or a fine of up to 75 times the minimum wage.

24 May Presidium Session Called 'Fruitful'

PM2605133793 Moscow KRASNAYA ZVEZDA in Russian 26 May 93 p 1

[Oleg Odnokolenko report: "Russian Federation Supreme Soviet Presidium Session"]

[Text] Last Monday, 24 May, may well have been one of the most fruitful days for the Russian parliament's Presidium. In one session several important draft laws regulating political, economic, and legal issues were examined. Nor were the corps of deputies' in-house problems ignored either.

In particular, the Constitutional Commission working group submitted for consideration a draft law "On Elections to the Russian Federation Supreme Soviet," which is scheduled now to comprise two chambers—the State Duma and the Federal Assembly. Despite the fact that the document was recommended for a second examination, it seems to please all branches of authority and "organically" fits in with both versions of the Constitution—the parliament's and the president's. Incidentally, the very title of the draft law confirms once again that the fate of the Congress of People's Deputies is virtually preordained...

Among the economic problems examined by the parliament Presidium session particular attention was paid to the work of the Russian State Committee for Statistics. The session participants by and large voiced a positive opinion of it. However, in the opinion of a number of Presidium members, one of the "weak points" in this department's activity is the way that it takes stock of the activity of nonstate organizations. "There can be no reform without statistics," Russian First Vice Premier Oleg Lobov remarked in this connection. In his opinion, the concept of "labor productivity" has virtually disappeared from use nowadays, whereas it is precisely this indicator which should be constantly compared with the size of wages, and without which life in a market economy is impossible.

In turn the Central Bank of the Russian Federation submitted for consideration basic guidelines for money-credit regulation in 1993. The document notes that the Central Bank sets itself a number of tasks. In particular the prevention of hyperinflation, since monthly price increases of over 40-50 percent poses a real threat of ungovernable financial and economic crisis. The bank intends to limit the growth in the money supply by administrative and economic means of regulation. Tough measures to improve the Russian Federation banking system and safeguard Russian citizens' deposits are also planned. Credit support will be offered to priority areas of structural and investment policy by agreement with the Supreme Soviet and the government. Changes must be made to the system used to control the rate of exchange and the ruble's positions must be strengthened.

The Russian Federation Supreme Soviet Presidium approved the Russian Government's request that the Russian bank be allowed to allocate credit for conversion and investment activity.

After discussion by the Presidium a draft law stipulating stricter measures against criminals was sent to the president and Russian Federation Supreme Soviet committees and commissions for evaluation. In particular, provision is being made to increase liability for stealing means of transport (to 10 years' imprisonment) and for thieving objects and documents of particular scientific and cultural value (to 15 years' imprisonment). In order to protect citizens against criminals it is proposed to extend the scope of necessary defense. In addition, Presidium members discussed a draft statute on a special deputies' commission whose main aim is to "investigate breaches of legality by state organs and officials."

The same session examined a draft Russian Federation Supreme Soviet decree submitted by oppositionists enumerating posts that should not be held by Russian Federation people's deputies. In particular, it is thought that they cannot at the same time be members of the government, deputy ministers, or chairmen of the country's state committees, officials within the president's administration or presidential or government structures, or indeed Russian Federation ambassadors, leaders and personnel of television and radio companies and press organs, heads of regional administrations or their deputies or staff, or staff of prosecutor's offices and judicial bodies. The Presidium instructed the people compiling the document to present it as a draft law, coordinate it with the juridical department of the Russian Federation Supreme Soviet, and submit it to the next session of the parliament's Presidium in a week. If it is adopted and approved by the next Congress, the corps of deputies will lose many of the president's supporters.

Last, members of the Presidium settled the "apartments issue." Under the adopted decree all official apartments for people's deputies on Moscow's Rublev Highway and Korolev and Dubinin Streets are henceforth considered Russian Supreme Soviet departmental housing stock. "We now have the right to bring a court action to evict people who have two apartments each, for instance, former USSR people's deputies," Yuriy Voronin, first deputy speaker of the parliament, said at the session.

Savings Bank Vice President Testifies in Committee

PM2605153593 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition p 4

[Report "Based on RIA-NOVOSTI Material" from "Yesterday, Today, Tomorrow" roundup: "How Much Money Does the Savings Bank Have?"]

[Text] As of 1 May this year, 86 percent of the population's investments were kept in the Russian Savings Bank. They comprise a sum of 1 trillion rubles [R]. This was announced by Anatoliy Barabash, the bank's vice president, at parliamentary hearings on the place of the savings bank in Russia's banking system.

Anatoliy Barabash also announced that it had been decided at a meeting of Savings Bank shareholders to increase its company capital to R100 billion. Once the right of issue has been registered in the Central Bank of Russia, any citizen may become a shareholder in the bank.

The vice president denied accusations directed against the Savings Bank that it "tolerated" the depreciation of the population's investments. At the moment of price liberalization, all funds registered in the Savings Bank, amounting to R285 billion, were under the authority of the state and had been used for budget advances.

Regional Affairs

Russian Ministry Staff Fired Upon in North Ossetia

LD2705111893 Moscow ITAR-TASS in English 1102 GMT 27 May 93

[By ITAR-TASS correspondents Valeriy Shanayev and Mikhail Shevtsov]

[Text] Vladikavkaz May 27 TASS—A group of Russian Interior Ministry staff were machinegunned by unknown people on Wednesday night [26 May] on the outskirts of the settlement of Balta in North Ossetia.

According to reports from the headquarters of the temporary administration, they responded to the fire. There were no victims amongst the Russian Interior Ministry staff.

Ingush Official Calls Ossetian Letter 'Provocation'

PM2705102793 Moscow ROSSIYSKAYA GAZETA in Russian 22 May 93 Single Edition p 2

[Unattributed report: "Statement by the Ingush Republic President's Press Secretary"]

[Text] The Organizing Committee of the Second Congress of the Ossetian People has circulated a letter addressed to the leaders of the Russian Federation, as well as to North Ossetian Supreme Soviet Chairman A. Galazov; Ingush Republic President R. Aushev; and Yu. Shatalin, head of the interim administration on North Ossetian and Ingush territory. Among other things, the letter claims that there are powerful, well organized forces in Ingushetia which have switched from direct hostilities to the tactics of extensive sabotage and destruction methods of waging war against North Ossetia. Ingush nationalist extremists have basically declared a gazavat (holy war) against Ossetia and Russia, the letter says.

The congress Organizing Committee has demanded the immediate introduction of a reliably protected border zone between Ossetia and Ingushetia, and also the removal from the agenda of the issue of Ingush and Ossetians living side by side. "Otherwise," the letter says, "the Organizing Committee reserves the right to rouse its people to an armed struggle, the consequences of which cannot be predicted."

Magomed Archakov, the Ingush Republic president's press secretary, described the letter as a provocation and described everything it contained as a blatant lie designed to escalate tension in the region. Ingushetia, his statement says, has never prepared and is not preparing any hostile acts against Ossetia and firmly adheres to the principles of peaceful resolution of contentious issues.

The Ingush are reaffirming their desire to live in peace and harmony with all peoples of the North Caucasus and Russia.

Chechnya Referendum on Dudayev Expected To Go Ahead

PM2605142993 Moscow ROSSIYSKIYE VESTI in Russian 26 May 93 p 2

[Sharip Asuyev report: "In Preparation for the Referendum, They Are Forming an Army. Internal Political Crisis in Chechnya Continues"]

[Text] Despite the active opposition of Dzhokhar Dudayev's supporters, the referendum scheduled for 5 June in Chechnya will evidently be held. Its organizers have been resolutely supported by a prestigious religious organ in the republic—the Council of Ulemas. The influential Islamic activists have not only approved the idea of a national poll on the form of rule in Chechnya, but they have also made it binding on all imams of mosques to promote it. Of the three questions which are planned for the referendum, the key question is obviously the first: Is the institution of the presidency necessary in the Chechen Republic?

Dzhokhar Dudayev himself is not rejecting the idea of a referendum and new elections in Chechnya, but he is proposing that they are postponed for several months. The reason for this is that the people, brought to despair by economic burdens, are supposedly no longer capable of adopting a sensible decision.

Outwardly the situation in Groznyy remains calm, but individual incidents occurring over the preparation for the referendum testify that its opponents have not yet submitted and may take a number of countermeasures. According to unconfirmed information, Dzhokhar Dudayev has called out armed mercenaries from Lithuania to assist his supporters and has stationed them in one of the mountain areas.

The extremely serious economic and political crisis in Chechnya has been caused by the ill-considered and clumsy actions of President Dzhokhar Dudayev, Yaragi Mamodayev, the republic's new prime minister, believes. The 40-year old Yaragi Mamodayev has been appointed government prime minister by the Chechen parliament on the basis of a proposal agreed by the main sociopolitical movements and parties which oppose Dzhokhar Dudayev. But the president has called this decision illegal, formed his own cabinet of ministers, and made all its members take an oath. So there are now two cabinets of ministers in Chechnya today. But, by all accounts, Yaragi Mamodayev is not worried about this circumstance.

The Government of Chechnya headed by Yaragi Mamodayev has decreed the reestablishment of the activity of the Central Bank of Russia Main Administration for the Chechen Republic. The activity of this administration was discontinued eighteen months ago following the creation of an independent national bank of Chechnya, and all the property was confiscated. The Central Bank of Russia then imposed tough sanctions and practically stopped allocating cash to Chechnya. As a result, employees and pensioners in the republic could not obtain any money for months. Admittedly 2.5 billion rubles [R] in cash was delivered to Groznyy from Moscow a few days ago.

The decree of Yaragi Mamodayev's cabinet recognizes that the activity of the Central Bank of Russia Main Administration for the Chechen Republic was discontinued "without taking reality into account." The functions of the reestablished main administration have been entrusted to a commercial bank in Groznyy.

Obviously understanding that it will be impossible to reestablish order in the republic without the assistance of the "power" structures, Yaragi Mamodayev has started to reinforce the law enforcement organs, raising their employees' pay to R150,000.

It has been decided to form a separate army on a contract basis in Chechnya. A decree relating to this has been adopted by the government headed by Yaragi Mamodayev. The parliament has appointed a professional military man, Ibragim Suleymenov, as defense minister, and Aviation Lieutenant General Viskhan Shakhabov was made his first deputy and chief of the General Staff. The latter occupied this post earlier, but at the height of the present crisis in Chechnya he announced the neutrality of the Armed Forces and was removed from his post by Dzhokhar Dudayev.

A special contract-based army contingent is being formed, as the decree said, "with the aim of ensuring a military basis for the republic's state sovereignty, regulating the activity of the armed formations, and registering weapons and military property." A total of 2,000 people will be recruited into it and they will earn at least R150,000 a month.

Dzhokhar Dudayev's reaction to this decision taken by Mamodayev's government is as yet unknown, but there is little doubt that it will be sharply negative.

Chechen Leaders Try To Ease Conflict Situation

LD2705102793 Moscow ITAR-TASS in English 0855 GMT 27 May 93

[By ITAR-TASS correspondent Sharip Asuyev]

[Text] Groznyy May 27 TASS—Only the Yaragi Mamadayev people's trust government, set up by the Chechen parliament, seems to exert efforts to cool passions in the republic. In spite of the current political confrontation, it is trying to take the edge off the conflict by economic measures. A programme to aid families that have recently suffered from mudstreams and floods has already been drawn up.

Each citizen of the republic will be given free-of-charge ration tickets for 50 litres of gasoline each to make up for the acute shortage of cash money. They can be used to buy goods and foodstuffs on the entire territory of the republic. The Chechen government had taken similar steps last year on Mamodayev's initiative.

Plans are also afoot to draw up within one month a draft decision of the Chechen government and parliament to privatise petrochemical installations. Expert estimates shows that Chechen privatisation voucher may cost about 2,000 U.S. dollars each.

Latest Events in Chechnya Reported

PM2705104193 Moscow IZVESTIYA in Russian 27 May 93 First Edition pp 1, 2

[Irina Dementyeva report: "Chechnya: Drama on Theater Square"]

[Text] ITAR-TASS correspondent Sherip Asuyev reported that Dzhokhar Dudayev's supporters prevented members of the Chechen parliament from holding a rally on Shaykh Mansur Square. They dispersed people by firing shots into the air. Most people went off to Theater Square and joined the opposition rally that has been under way there continuously since 15 April, swelling the number of demonstrators there many times over. What was previously an opposition rally seems to be becoming a national rally.

The evening of 25 May saw the funeral of the president's nephew Shamil Dudayev. One story has it that he stopped his automobile by Theater Square in the morning on his way to work and was shot. According to another, Shamil was involved in a road accident the day before.

I only managed to contact the opposition staff (in the theater) after midnight. Lechi Umkhayev, the staff chief, was amazed at a Moscow correspondent's naivete in thinking it possible in Chechnya to gain access to the findings of the court's medical expert and find out whether a man had died from a bullet or under the wheels of an automobile. No, the circumstances behind the death of the president's nephew still have to be cleared up. However, blood was shed, and there was indeed shooting on Theater Square at around 0800 hours. This was due to a brawler who was removed, but 30 minutes later turned up with around 12-16 accomplices all carrying assault rifles. Attempts were made to disarm them. The result being four injured demonstrators. The people who fired the shots made off in automobiles. Umkhayev is convinced that the incident is no more than provocation of the kind typical of Dudayev's criminal cohorts.

Let me ask you: Is it true that a warning from the republic's commandant Khamzat Khankarov (this new post was taken up by the recent commander of the volunteer battalion that fought in Abkhazia) for the rally's staff to quit the theater building and disperse by 2400 hours was broadcast on Groznyy television? That was indeed the case. But you did not disperse? No, we did not, we will stay here until morning.

It was a calm night. The posts mounted by the opposition kept order. In Umkhayev's opinion, official law enforcement organs will not use force against the participants in the rally, danger can only come, he said, from bandit formations under the president's direct jurisdiction.

Let me clarify whether the rally needs to go on so long. I think that both sides agree on the most important issue and have not changed their views of the state system for Chechnya as a sovereign state outside of Russia. But that is their only point of agreement: Umkhayev believes that their main, irreconcilable difference resides in the fact that a criminal "syndicate" has seized power in Chechnya, a syndicate capable of destroying its own people and setting them against their neighbors forever, neighbors with whom the Chechens, sovereignty notwithstanding, hope to retain very good, mutually beneficial relations.

As for the rally, that is not the opposition's only goal. The main work is being done in the republic's regions, where staffs have been organized to prepare for the referendum scheduled, as you know, for 5 June. But since oppositionists do not have access to television channels, and Groznyy's main newspaper GOLOS CHECHENSKOY RESPUBLIKI [Voice of the Chechen Republic] has been paralyzed and only publishes from time to time, the rally remains the only way for people to get together, providing an opportunity for discussion and to formulate a united opinion.

According to the staff's chief, the opposition still intends to rigorously adhere to constitutional methods of combating the president's authority, proposing the creation of new structures via elections and the formation of a new government, whose nature will be decided by legal means. But how is the opposition shaping its relations with Russia? It is not doing anything of the sort at the moment. Presumably, Russia is not in the mood for Chechnya. This neutrality quite suits the opposition for the time being. Umkhayev thinks that the worst thing would be for Russia to interfere in the republic's internal affairs now.

Boris Asaturov, chairman of the ethnic Council of the Republic, presented a different view of events. He thinks for instance that the opposition will not poll the required number of votes against Dudayev. However, its intransigence, refusal to cooperate with the republic's existing leadership, and reluctance to overcome the crisis of power by joint efforts is deepening the confrontation and only giving the president an excuse to seize all the reins of government. The president has made concessions, satisfying 16 of the opposition's 20 demands. In particular, he has agreed to publish the results of an independent commission's investigation into the state of Chechnya's finances and the distribution of income from the oil trade. These figures may not be to the president's

advantage, Asaturov believes, convicting his team scarcely of cupidity, but of incompetence—that's for sure.

In Asaturov's opinion, the republic has many grave problems, among them the increase in crime and the exodus of the Russian-speaking population (according to figures published recently by the newspaper ICHKERIYA, around 60,000 people left in 1992). The exodus of specialists and workers has caused production to decline. Chechnya's 80,000 unemployed have swelled by 140,000. Spring saw natural disasters, torrential rains, and landslides that destroyed four villages at a stroke—this issue was the first on the agenda at yesterday's Presidential Council session. In Asaturov's opinion, there may be doubt as to the true intentions and moral stance of the intelligentsia with their interest in prolonging the rally.

Boris Aleksandrovich can say nothing precise about the death of Shamil Dudayev; however, he considers the shooting on Theater Square a tragic episode in the chain of recent events. The 10 days remaining until the referendum will decide everything—whether the current order improves or indeed whether there is a change of authority. Asaturov leans toward the former scenario.

Other telephone calls to friends in Groznyy added little to the above. People at any rate say that if you go just a little way from Theater Square, the city is leading a normal life.

Privatization Now 'Irreversible' in St. Petersburg

PM2605151593 Moscow Russian Television Network in Russian 1000 GMT 21 May 93

[By D. Kokko and Ye. Alekseyev from St. Petersburg; from the "Vesti" newscast]

[Text] [Kokko] Exactly a year ago the handover of state property into private hands, known as privatization, began in St. Petersburg. It is possible to sum up certain results of this process today.

Around 1,000 facilities have been sold at open auctions and limited-access competitions. They include not only cafes and hairdressing stores, but also plants and factories. Around 50 percent of the enterprises have been bought up by the labor collectives. The so-called small-scale privatization will essentially be completed within the current year. This summer industrial giants such as the "Kirovskiy Zavod" and "Elektrosila" production associations will be offered for sale at voucher auctions.

Naturally, not everything is going smoothly. There are reports to the effect that some companies taking part in limited-access competitions are amassing sizeable capital. But that is a different chapter. The main point is that the process of privatization has become irreversible in St. Petersburg.

Mordovian President Confident of Support

LD2705111293 Moscow ITAR-TASS in English 1015 GMT 27 May 93

[By ITAR-TASS correspondent Igor Gvritishvili]

[Text] Moscow May 27 TASS—President Vasiliy Guslyannikov of Mordovia has expressed confidence that the Friday [28 May] session of the Constitutional Court, which is to discuss the resolution of the Mordovian parliament of April 2, this year, on eliminating executive presidency in the republic, would be on his side.

Responding to the question of ITAR-TASS at a press conference here today, Guslyannikov stressed that the resolution of the Mordovian parliament is absolutely unsound from the legal point of view, which should determine the decision of the Constitutional Court, because the law has been violated on a very broad scope.

In the opinion of the Mordovian leader, the elimination of executive presidency by the Mordovian parliament was "an attempt of the nomenklatura to seize power, which they partially lost at the December 1991 elections," when he was elected president on the alternative basis by a popular vote (he was one of eight candidates). Guslyannikov believes there is one more important factor: "It was an attempt to try in Mordovia the ways by which legislative authorities can suppress executive ones."

"The developments between December 1992 and today show that both the Russian parliament and some members of the opposition to the Russian president from among people's deputies are very much interested in what is going on in Mordovia. They took an active part in the work of the session of the Mordovian parliament, which adopted a resolution on eliminating executive presidency on April 2," Guslyannikov said.

He expressed profound gratitude to President Yeltsin and the Federal Government, who supported him at a difficult time and provided legal consultations to him.

Yeltsin issued a decree saying that Guslyannikov and the government headed by him should remain on their posts until the Constitutional Court adopts a resolution on the decision of the Mordovian parliament to eliminate executive presidency in that constituent republic of the Russian Federation.

Shakhray Predicts 'Rapprochement' in Talks With Tatarstan

PM2605133193 Moscow IZVESTIYA in Russian 26 May 93 First Edition p 2

[Sergey Chugayev report: "Tatarstan-Russia: Rapprochement of Positions Being Observed"]

[Text] During the official talks due in Moscow 27 May between delegations from Tatarstan and Russia the first rapprochement between the sides' positions should be

expected in the sphere of constitutional enshrinement of the formula for relations between them.

S. Shakhray, vice premier of the Russian Government, stated this when commenting on the results of the meeting which he had with Tatarstan President M. Shaymiyev in Kazan on the evening of 24 May. The chairman of the Supreme Soviet and the prime minister of Tatarstan also participated in the meeting.

The meeting, which lasted several hours, was aimed at defining more precisely and agreeing the sides' positions on the eve of the next round of talks on the preparation of a treaty between Moscow and Kazan on the delimitation and mutual delegating of powers. According to Shakhray, in the process of preparing the treaty it has been decided to employ a new approach, whose essence is that each article in the future treaty will have a specific implementation mechanism in the form of previously concluded bilateral agreements.

The entire package of such agreements is expected to be signed 27 May. They include an agreement on cooperation in the sphere of environmental protection, agreements on questions of property, on the mutual delegating of terms of reference and powers in the military-industrial complex, and on the sale and transportation of oil, and a number of othrs. The meeting participants also agreed on several articles of the future bilateral treaty. In addition, Shakhray reported that the leaders of Tatarstan confirmed their intention to send an official delegation to participate in the work of the Constitutional Conference.

Kalmyk Parliament Debates Constitutional Blueprint

PM2605095793 Moscow ROSSIYSKAYA GAZETA in Russian 22 May 93 Single Edition p 3

[Vladimir Bessarabov report: "Kalmyk-Style Draft"]

[Text] Elista—Yesterday the Kalmyk parliament got down to examining a version of the Russian Federation draft Constitution which has been formulated by a group of lawyers in line with a blueprint put forward by Kalmyk President Kirsan Ilyumzhinov. Regarding the draft Constitutions submitted by the Russian president and Russian Federation parliament, your ITAR-TASS correspondent was told by Kalmyk Parliament Deputy Chairman Veniamin Sergeyev that these documents "have already been received from Moscow, they are being studied closely, and we will get down to discussing them at the beginning of June."

Chelyabinsk Governorship Election Protested

PM2605144593 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition p 2

[Anatoliy Usoltsev report: "A Governor For Every Draft Constitution"]

[Text] Chelyabinsk—There is no problem more important today for both the Russian Federation and its subject Chelyabinsk Oblast than the adoption of a new Constitution, Anatoliy Nacharov, first deputy chairman of Chelyabinsk Oblast Soviet, declared at a press conference last Friday.

A. Nacharov briefed journalists on the progress of work being carried out by the oblast soviet on the discussion of drafts of the Constitution.

Touching upon the mechanism for adopting a new constitution, Anatoliy Nacharov spoke in favor of a strictly constitutional path: a discussion of the document in the Constitutional Commission and in the Supreme Soviet committees and commissions, a public debate, and its adoption at the Congress of Russian People's Deputies.

The oblast soviet first deputy chairman also broached a "painful" theme for Chelyabinsk Oblast—that of the election of a new governor. Despite the fact that both the oblast prosecutor and the oblast court have observed violations in the procedure for registering candidates for the post of head of the administration, the elections went ahead. By a majority of votes, Petr Sumin, chairman of the oblast soviet, was elected, but he cannot take up his new duties insofar as the Russian president has confirmed the plenary powers of the current head of the administration.

Komi Company Starts Arctic Oil Privatization Process

PM2605145993 Moscow Russian Television Network in Russian 1900 GMT 22 May 93

[By Ye. Kuznetsov and N. Bogdanov from Syktyvkar; from the "Vesti" newscast]

[Text] [Kuznetsov] Official permission has been given for the flotation of the Komineft association, the largest of its kind in northern Europe. In practice this means the beginning of the extensive privatization of the whole northern oil complex in the Republic of Komi and also of the oilfields in Arkhangelsk Oblast that belong to the association. The controlling bloc has been allocated to the collective, and 38 percent of the shares have been transferred to the Komi government. A proportion has been set aside for investors.

[V. Leonidov, president of the "Komineft" Joint-Stock Company] Further flotation must be deepened by the creation of subsidiary joint-stock companies within our parent company.

Toxins Stored in Udmurtia To Be Destroyed There

PM2705113393 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 May 93 p 1

[Unattributed report: "Mustard Gas on the Roadside"]

[Text] There are 7,700 tonnes of liquid toxins (such as lewisite, mustard gas, and lewisite-mustard gas compounds) stockpiled in Russia. This was announced by German Frizorger of the Udmurt Council of Ministers staff. He noted that the bulk of these toxins (6,400 tonnes) is located in the city of Kambarka (Udmurtia). Owing to the transportation difficulties, the Russian Government plans to set up facilities to destroy the toxins near the city itself.

Krasnoyarsk Kray Timber Industry 'Desperate'

PM2605150793 Moscow Russian Television Network in Russian 1000 GMT 21 May 93

[By G. Nikolayev and A. Baryshnikov from Krasnoyarsk; from the "Vesti"]

[Text] [Nikolayev over exterior of Lesosibirskiy timber procurement combine] The Krasnoyarsk Kray timber procurement industry is in a desperate position. Some clients are refusing to take delivery of timber and timber materials; others are unable to buy them. The soaring railroad tariffs have increased the cost of a cubic meter of timber 10- to 20-fold. A freightcar of timber currently costs some 600,000 rubles [R] in Petersburg, compared with R50,000 to R60,000 in Krasnoyarsk Kray. Former union republics have to pay very high customs duties on top of this. Nonetheless, some desperate buyers from Kazakhstan, other Central Asian republics, and Moldova are prepared to pay such crazy prices. However, the Lesosibirskiy combine, for example does not have a quota; that is a permit to sell outside Russia. They have been told that such quotas can be purchased at auctions. As a result, hundreds upon hundreds of thousands of cubic meters of timber are rotting or turning into woodchip.

New Type of Thermal Generator Developed in Far East

OW2705093993 Vladivostok Radiostantsiya Tikhiy Okean Maritime Network in Russian 0715 GMT 25 May 93

[From the "Pacific Ocean" Program]

[Text] Scientists of Tikhookeanskiye Morskiye Tekhnologii Scientific Production Joint Stock Association, under the leadership of academician Boris Titayev, have developed thermal generators which do not require oil, coal, or gas. The unusual devices will use water and air as fuel. They discharge warmth through [word indistinct] movement cycles in a sealed space.

[Word indistinct] installations, which incidentally only occupy an area of approximately four square meters, are versatile. They are capable of independently warming a ship at berth or at sea, a cottage, a separate multistory building, a plant, a suburb [mikrorayon], or a whole settlement.

International Affairs

Peace Council, Fund Urge Parliament To Ratify START I

AU2705110493 Kiev HOLOS UKRAYINY in Ukrainian 26 May 93 p 1

[Unattributed report: "For Nonnuclear Integrity"]

[Text] The Ukrainian Peace Council and the Ukrainian Peace Fund have issued a statement declaring their unconditional support for the efforts of the United Nations, the Committee of Nongovernmental Organizations for Disarmament, and of other peacemaking organizations of the world that aim to achieve global disarmament proceeding from the principles of worldwide security. The statement expresses a firm determination to stand up for the three nonnuclear principles that were set forth by the Declaration of Ukraine's State Sovereignty: "Not to accept, not to manufacture, and not to purchase nuclear weapons." The Peace Council and Peace Fund called upon parliament to ratify START I and the Nuclear Nonproliferation Treaty, as this will lead to an improvement in the internal political climate and to a relaxation of tension in international relations.

Russia's Shokhin 'Optimistic' on Economic Cooperation

LD2605183493 Moscow ITAR-TASS World Service in Russian 1746 GMT 26 May 93

[By UKRINFORM correspondent Aleksandr Litvinov]

[Text] Kiev, 26 May—Aleksandr Shokhin, deputy chairman of the government of the Russian Federation, described the outcome of today's talks between the government delegations of the Ukraine and the Russian Federation on economic cooperation as optimistic.

The greater part of the talks was taken up by a discussion of questions on mutual calculations, energy prices, and the fulfillment of commitments based on credits for 1992 and on the conditions for granting them in the current year. An understanding in principle was reached on the price for supplying natural gas from the Russian Federation to the Ukraine, and also on state credit based on the results of trade and economic relations in 1992 and granting it for 1993.

Vasiliy Yevtukhov, first deputy premier of Ukraine, noted that only a lack of time would prevent the accords which were reached being set out on paper and being signed.

The delegations also agreed to work in the near future on questions of the joint use of industrial facilities of mutual interest.

Navy Officers Protest Russian Flags on Black Sea Ships

WS2605132893 Kiev UNIAN in Ukrainian 1400 GMT 25 May 93

[Text] The Officers Union of the Ukrainian Navy adopted a declaration protesting the illegal acts which took place on 24 May on ships of the Black Sea fleet. Mykola Kostrov, deputy commander of the Ukrainian Navy, told UNIAN that hoisting Russian naval flags over 127 ships is a violation of the Yalta Agreement on the division of the fleet.

Poland's Walesa, Kravchuk Brief Press on Talks

LD2705083993 Kiev Radio Ukraine World Service in Ukrainian 1300 GMT 26 May 93

[Report by correspondent Petro Ostapenko on news conference by President Leonid Kravchuk and Poland's President Lech Walesa in Kiev on 25 May, including recorded remarks at news conference by Kravchuk and Walesa; Walesa speaks in Polish fading into Ukrainian report by Ostapenko; introduction read by unidentified announcer]

[Excerpts] Lech Walesa, president of the Republic of Poland, began the second day of his official visit to Ukraine by taking part in a morning service at the church of St. Alexander.

Then the head of the Polish state received leaders of a number of Ukrainian ministries and departments. The talk at the meetings was about the development of Polish-Ukrainian relations, cooperation between the two states on the international arena, and in particular about coordinating actions to guarantee European security on the whole and in the given region. It was noted that now, after a package of interstate documents has been signed, relations between Ukraine and Poland are entering new, higher frontiers. Great hopes are placed on the activity of the consultative committee of the presidents of both countries, which started work on the first day of the visit. [passage omitted]

During the second half of the day, Lech Walesa met employees of the Polish Embassy in Kiev. A reception was hosted by Jerzy Kozakiewicz, charge d'affaires ad interim of the Republic of Poland in Ukraine, on the occasion of the official visit by the Polish head of state. Leonid Kravchuk was present at the reception.

A joint news conference by the two presidents took place on the same day. My colleague Petro Ostapenko will tell you about it:

[Ostapenko] The fates of the Ukrainian and Polish peoples often cross throughout history. There have been various periods in our co-existence. There was plenty of good and plenty of bad. However, as both presidents noted, a new history in relations between the two neighboring states is being written today. Poland, Leonid Kravchuk stressed, was one of the first countries to

cooperate actively with the young independent Ukraine. And we perceive this as a demonstration of good feelings toward the Ukrainian people, and of faith that our bilateral relations have prospects. [passage omitted]

The head of the Ukrainian state noted the importance of the interstate documents signed during Mr. Walesa's visit, which should positively influence the deepening of our mutual relations. Poland's experience in resolving complex economic problems is interesting for Ukraine. [passage omitted]

Concluding his introductory remarks, the president of Ukraine said:

[Kravchuk] The main political outcome of the official visit and our talks with President Walesa may be considered to be a definitive determination between our countries as relations of strategic partnership. Ways and approaches to subregional, regional, and global cooperation should be determined on their basis.

[Ostapenko] Poland's President Lech Walesa noted that our two countries have received an opportunity for free democratic development. A new stage of mutual relations between the Polish and Ukrainian peoples should now begin. We have many problems, but we should overcome them and correct mistakes which have been allowed.

[Walesa] I have heard before, said Mr. Walesa, that Ukraine is a very fine land with great possibilities. But I had a rather skeptical attitude toward this. However, conversations with the leaders of your state, and that which I saw myself, have convinced me of the opposite. Ukraine is a land with great possibilities in all spheres. The Ukrainian people are proud and do not need to be defended by someone else.

We also need a free and flourishing Ukraine, noted the head of the Polish state. Because of this Poland will apply all efforts so that harmony and order reign in our mutual relations. Lech Walesa also expressed his dissatisfaction with the results of current cooperation. He puts great hopes on the activity of the consultative committee of the presidents of Ukraine and Poland. This will be a body that will assist the efficient development of our relations. Finally, business relations will be raised to a significantly higher level.

The significance of both states in the European world is not average. They seem to stand at a watershed between the east and the west. So it is entirely normal that ideas should arise with regard to uniting the efforts of these two countries in setting up a common market. This is what President Leonid Kravchuk thinks about this:

[Kravchuk] Any of our actions in defending our interests, our security, including setting up a market, should be in such a direction as not to call forth some kind of confrontational actions from other states. That is, we should act in a civilized way, search for our paths on the way, as they say, to mutual understanding and mutual advantage. That is, even this market cannot exist in isolation. It may become a part of the Europe-wide, the worldwide market, and nothing else.

[Ostapenko] To this the president of Poland noted that a strange situation has now arisen. Two blocs existed previously—the countries which were part of the Council of Economic Commonwealth [as heard] and NATO. One of these remains today, namely NATO. It seemed that some opposite bloc should be set up in the other's place. But Mr. Walesa sees development in another direction. In his opinion, the concept of economic development on bilateral terms and an increase in the influence of the United Nations on world processes is in order. Touching on mutual relations between the peoples of Ukraine and Poland, Lech Walesa observed that economic stability should open doors for mutual contacts wider. However, the past cannot divide us. The president of Poland emphasized that his country is also interested in the development of good mutual relations with Russia. But to the questions of journalists regarding the possibility of dual Ukrainian-Polish citizenship, Mr. Walesa replied:

[Walesa] Today, said Poland's president, it seems to me that this would be beneficial. However, when we achieve the same economic level, then the need for dual citizenship will fall away on its own. Our people will be able to move freely from one state to the other. Leonid Kravchuk also supported Lech Walesa. In particular, he said this on this matter:

[Kravchuk] I share the president's viewpoint to the effet that this problem is acute today, just as all problems in general are acute which arose in democratic societies. Each citizen really could put the issue this way. We have not had intense discussions with regard to citizens in Poland of Ukrainian descent or citizens in Ukraine of Polish descent regarding dual citizenship. So, this issue was not discussed. But this does not mean that it cannot be discussed when it arises. But there is no such problem at the moment.

[Ostapenko] The heads of the two states replied to a lot of other questions from Ukrainian and foreign journalists. In conclusion, Leonid Kravchuk thanked Lech Walesa for accepting the invitation and visiting our country. In doing this, the head of our state stressed, we could show the whole world our intentions and wishes to establish friendly mutual relations between the Ukrainian and Polish peoples.

Regional Security Document Presented

AU2705133293 Warsaw GAZETA WYBORCZA in Polish 24 May 93 p 5

["'Excerpts' of a Five-Page Foreign Ministry Document Entitled 'Strengthening Regional Stability and Security in Central-Eastern Europe'"]

[Text] **The International Setting**

Ukraine has received with interest the idea advanced by Polish President Lech Walesa regarding the creation of international structures in Central-Eastern Europe, the projects known as EC-2 and NATO-2. Following an examination of many detailed proposals, it transpires that the approaches of Poland and Ukraine fully accord with each other.

The Proposal

The creation in the region of an area of stability and security that would cover all the countries in the Baltic-Black Sea area and would in future become a part of a European system of security. It would be a bridge between Western Europe and Russia, it would develop a broad, transatlantic security system from Vancouver to Vladivostok—that is, one for the entire "CSCE region."

The principle underlying it could be the slogan: "One's own security through security for all."

The Aim

The "zone" would be part of a general European security system and it would have the aim of preventing threats to peace and stability (such as Yugoslavia).

The Participants

The "zone" could embrace the Baltic states, Ukraine, Belarus, Poland, Czechia, Slovakia, Hungary, and Austria (the first version of the document did not name all the participating states).

The First Steps

The proclamation of a declaration in which states would agree to act in accordance with the principles of the CSCE and the UN Charter and would renounce the use of force as well as the threat of the use force.

In the declaration, the states would agree on:

—The will to respect thoroughly the political sovereignty and territorial integrity of states, to renounce entirely territorial claims, and to respect the inviolability of the borders that exist today;

—The impermissibility of deploying foreign forces on the territory of another state without the expressed consent of the states;

—Cooperation in preventing conflicts and solving them by peaceful means;

—The promotion of disarmament, weapons control, and cooperation in the security field;

—Respect for the rights of national minorities;

—The development of border cooperation and the promotion of mutual confidence.

Walesa Opposes Security Zone Idea

AU2705124493 Warsaw GAZETA WYBORCZA in Polish 26 May 93 p 1

[Andrzej Lomanowski report: "Walesa, Kravchuk, and the Abandoned Zone"]

[Text] Probably at the instigation of NATO and the Americans, President Walesa tried to persuade Ukrainian President Leonid Kravchuk in Kiev that Ukraine abandon the idea of creating a security zone stretching from the Baltic to the Black Sea.

It seems that this "Ukrainian initiative" has died a natural death. Walesa avoided saying anything about it, and the Ukrainian draft final communique on the visit places the fate of the "Kravchuk initiative" in the hands of the "relevant persons in the Foreign Ministry."

Although the draft communique says that the Consultative Committee of the Polish and Ukrainian presidents will also examine this topic, the chairman of the committee on the Polish side, Jerzy Milewski, said that "we perceive our security in the construction of a Euroatlantic system of security."

According to Ukrainian plans, the Ukrainian security zone would consist of Poland, Hungary, the Czech Republic, Slovakia, and perhaps even Austria and the former Soviet republics of Lithuania, Latvia, Estonia, Belarus, Ukraine, and Moldova. It might later be expanded to include Bulgaria and Romania.

According to respectable sources in Warsaw and Kiev, the Americans themselves suggested to our president that during his Ukrainian visit he should try and talk President Kravchuk out of the idea of creating this zone, which would effectively isolate Russia. Our Warsaw informers claim that NATO had also conveyed this suggestion.

It is possible that the American ambassador to Ukraine discussed this very subject with the Ukrainian foreign minister two days before Walesa's visit. This meeting took place at the ambassador's request.

"We cannot give the impression that we are establishing a cordon sanitaire running from north to south, and yet that is exactly what the idea was all about," Minister Andrzej Drzycimski [Walesa's official spokesman] told journalists on Tuesday [25 May].

The progress of the visit suggests that our president did undertake the task in question and actually succeeded. Already after Walesa's first 90-minute meeting with Kravchuk, the Ukrainian president's speech contained no mention of creating this "zone," and the question of the "Ukrainian initiative" was duly glossed over the next day.

Walesa 'Not Satisfied'

AU2705130493 Warsaw ZYCIE WARSZAWY in Polish 26 May 93 p 7

[Grzegorz Gorny report: "Without Borders"]

[Text] "I am not satisfied with the results of our cooperation to date," said Lech Walesa in Kiev yesterday. Yesterday's talks concerned the economy and security in Central Europe.

On the second day of his visit to Ukraine, the president of the Republic of Poland held meetings with Prime Minister Leonid Kuchma and Ivan Herts, minister of external economic relations and trade, among others. Asked when a joint Polish-Ukrainian bank would be established—something that has already been talked about for a year—Walesa replied that several such banks will be established before the end of this year and that there will be several dozen in the future.

"Four years ago, before I was president," said Walesa, "I said that I would strive to bring about the disappearance of the borders between us by the year 2000. There are so many places in Ukraine that Poles love and many places in Poland that Ukrainians love. We have to do everything possible to ensure that those who love those places can visit them easily."

Security issues were also discussed. A draft final protocol states that the Foreign Ministries of both countries will hold consultations "with a view to clarifying the Ukrainian president's initiative concerning the creation of a zone of stability and security in the region of Central and Eastern Europe." The Consultative Committee of the presidents of Poland and Ukraine will discuss specific details.

Western journalists have already managed to christen the Ukrainian initiative a "cordon sanitaire" against Russia. However, Walesa gave assurances in Kiev that "we will also fight for a free Russia."

Asked if the Ukrainians planned to return the literary collections of the Lvov Ossolineum to the Poles, President Leonid Kravchuk replied that an appropriate commission will have to be created. Walesa immediately added: "We will return to Ukraine all that is Ukrainian in Poland. I am convinced that the other side will act similarly."

Kazakhstan

Nazarbayev Addresses Republican Congress of Engineers

LD2605161993 Almaty KAZTAG in Russian 1300 GMT 25 May 93

[Excerpts] As was reported earlier, Nursultan Nazarbayev made a speech at the first congress of Kazakhstan engineers which was held in Almaty. Describing the work of engineers as positive on the whole, he at the same time attracted their attention to a number of large problems. The president in particular said that when choosing the optimum version for technological progress we should clearly clarify the priorities in resources and production, export and import. [passage omitted]

The president conventionally divided into three categories the general tasks that engineers are facing: first, engineering support for optimum raw material export; second, maintaining competitiveness of goods on the local and world market by reducing their cost and improving consumer goods qualities; and third, mastering advanced foreign technology and elaborating our own new technology of deep processing of raw materials and creating hi-tech goods and products. [passage omitted]

Kazakhstan is rich in mineral resources but they are exhaustible and resources as you know cannot be replenished. Therefore the issue of development of scientific and engineering work connected with extraction and transferring all the components of recovered wealth into an end product is topical. Nursultan Nazarbayev emphasized that economic efficiency could be speeded up by increasing the extraction and treatment of gold. [passage omitted]

The engineering body faces important tasks not only in industry but also in agriculture, noted the president. They are first of all connected with the need for eliminating lag in the branches for treatment and storage of the products, fodder production, and a technical base for animal husbandry. [passage omitted]

Nursultan Nazarbayev referred to the branches of the power-engineering complex which serve as a basis for the structural changes and improvement of technological level of production. This production complex has a large and realistic export potential with an annual estimate of 15 billion dollars taking into account the development of the new fields of Karachaganak and Tengiz. [passage omitted]

Among the immediate tasks of the complex is the elimination of the short supply of power energy by completing the construction and putting into operation the Ekibastuz thermal power station and the South Kazakhstan state regional electric power station and setting up a single power supply extraction. We should not rule out the possibility of acquiring ecologically safe atomic stations in future. [passage omitted]

There is the possibility of developing production of highly competitive modern medical equipment and sophisticated household utilities on the basis of the implementation of the conversion program.

One of the important conditions for technological breakthrough is the development of the republic's transport and communication infrastructure. Nursultan Nazarbayev referred to an informational independence of the country, autonomy of communication lines, communication, radio and television broadcasting as one of the conditions for the practical realization of state sovereignty. [passage omitted]

In conclusion Nursultan Nazarbayev expressed certainty that the public movement of Kazakhstan engineers for the reforms will give a new impetus to the renewal of the republic's economy and will mean success.

Tereschenko Talks With French Business Delegation

LD2605173493 Moscow ITAR-TASS in English 1454 GMT 26 May 93

[By KAZTAG correspondent Gennadiy Lunyov]

[Text] Almaty May 26 TASS—Kazakh Prime Minister Sergey Tereschenko met with a group of leading French businessmen, led by Vice President of the National Council of Entrepreneurs, Philippe Giscard d'Estaing, on Wednesday [26 May].

The Kazakh prime minister described the economic situation in the country, its raw resources and difficulties suffered by enterprises during the transition to a free market. He pointed out that in the next two-three years the main efforts will be directed towards the development of the fuel-energy complex, ferrous and nonferrous metal industry, the agrarian sector and the production of consumer goods. These measures are expected to increase the export potential of the republic by 2-2.5 times, he said. Tereschenko noted in jest that the territory of Kazakhstan is several times bigger than France, and if French businessmen are still hesitating about making investments into the Kazakh economy, there will be no room for them left in the near future. "Speaking seriously, the Kazakh government is prepared to consider any proposal made by French businessmen," Tereschenko said.

For his part, d'Estaing noted that the visit by the Kazakh President Nursultan Nazarbayev to France last September laid a good basis for stepping up contacts between the two countries, and now, concrete steps should be taken to develop business partnership.

At the end of the meeting the Kazakh prime minister answered to French businessmen's questions.

Kyrgyzstan

U.S. State Department Official Visits Osh

LD2305140593 Bishkek Kyrgyz Radio First Program Network in Russian 2300 GMT 22 May 93

[Text] John Parker, head of the Central Asian desk of the U.S. State Department, visited Osh on a two-day visit. He arrived at the invitation of the University of Osh's administration. He familiarized himself with some aspects of political life here and met with students and representatives of different parties. It is interesting to note that the first U.S. guest of such a high caliber, a U.S. consul to St. Petersburg, came to Osh 125 years ago.

Businessmen Condemn Introduction of National Currency

LD2605203393 Bishkek KYRGYZKABAR in Russian 1452 GMT 26 May 93

[Text] Bishkek, 26 May—The extraordinary congress of the Union of Manufacturers and Entrepreneurs has sharply condemned the Kyrgyzstan Government's program on introducing a national currency. The situation is particularly alarming for industry because with the disruption of economic links and the suspension of deliveries of raw materials to the republic, the majority of enterprises are faced with closing down. The republic is today using up its last reserves and Kyrgyzstan has no resources at its disposal to replenish these reserves. Those assembled drew particular attention to the fact that even if deliveries of raw materials are resumed, then their products will still not be competitive on the world market. They cannot sell what they produce in CIS countries at the moment.

All this forced some participants into demanding the resignation of the government which has not only failed to prepare properly for this reform but has also found itself powerless today to bring the banks into line. It is the banks which have still not managed to provide the population with the new currency. They also criticized the blatantly inflated exchange rate for the som.

The entrepeneurs adopted an appeal to the Supreme Soviet and the government which said: "We do not want to be in opposition, but we have no right to ignore what is happening as the state is heading for total collapse and could fall into debt-slavery [kabala]." Members of the government, leaders of republican ministries and departments, trade union officials, and representatives of about 70 enterprises, banks, cooperative unions, entrepeneurs, the Peasants' Union, commercial structures, and the universal "Kyrgyzstan" exchange all took part in the congress.

'Chaos,' 'Suspicion' Over New Currency

PM2705104593 Moscow ROSSIYSKAYA GAZETA in Russian 25 May 93 First Edition p 7

[Vladimir Berezovskiy report under "Our Correspondents Report" general heading: "The Ruble Is Dead. Long Live the Ruble!"]

[Text] Bishkek—Last Saturday at 1800 hours the ruble "died" in Kyrgyzstan. Its circulation has been officially banned by the authorities. Suddenly, however, the "body" has been resurrected and transformed into a full-fledged foreign currency. It is precisely thus that it is perceived by republic inhabitants, who are henceforth pursuing cash bearing Russian symbols with the same fervor as they would the dollar and the German mark.

The introduction of a national currency—the som—took place in an atmosphere of chaos and deep suspicion among the population. At markets, for instance, rubles are still requested in exchange for goods, and prices have gone up astronomically: over 1,000 rubles [R] is being asked for a liter of cotton-seed oil, while a chicken goes for R4,000. The overwhelming majority of commercial stores have simply closed down. Around R10 billion have made their way to the exchange offices—a mere tenth of the amount that was in people's pockets. Bread prices have trebled, while the price of gasoline has gone up by 25 percent and public transport fares have doubled.

Prime Minister T. Chyngyshev, to whom President Askar Akayev had prudently entrusted the reins of government the day before, remains optimistic. After meeting with tradesmen and entrepreneurs, he gave assurances that inflation will actually slow to 10 percent by the end of the year. At the same time the government plans to commit local industry to starting up the production of consumer goods without delay. Meanwhile the IMF has already "thrown in" $62 million to support the som, which is secured by neither gold reserves nor goods.

Uzbekistan

Karimov Comments on Economy, Relations With Russia

LD2605105293 Moscow ITAR-TASS in English 0902 GMT 26 May 93

[By ITAR-TASS correspondent Lev Konorev]

[Text] Moscow May 26 TASS—"Everything we do in the economy, politics, the social sphere and during our transition to market relations is basically linked with inter-racial and social accord," Uzbek President Islam Karimov said in an interview with the TRUD newspaper published on Wednesday [26 May].

Turning to the current reforms in the republic, Karimov said that "our people, and I believe Russians too, do not

regard everything called "shock theraphy" as revolutionary, or better to say, pseudo- revolutionary upheavals.

"We are for an evolutionary and tested way rather than for revolutionary leaps. I always tell this to our opponents and critics. If we 'do not correspond to somebody's yardstick', this does not mean that we live incorrectly and that Uzbekistan slowly carries out changes or reforms and violates human rights.

"i'd ask critics to investigate every case thoroughly, taking into account specific situations and our peculiar features. It is possible to learn our people after living in the republic, learning their traditions, their way of life, moral and spiritual values."

According to Karimov, economy should have priority over politics. "Excessive dabbling in politics by a society is detrimental to the economy." In his opinion, Russia is more engaged in politics than in economics.

"You will not convince people of anything if you do not feed them," the president added.

He noted that reforms should be carried out stage by stage. "We should not create chaos, destroying everything, and then build a new society on ruins," Karimov continued.

The president said that "euphoria caused by independence spread to all the former Soviet republics. But it is easier to win political independence than economic one. Economy is a serious thing. It is impossible to sever relations which existed for decades.

"All the republics understand this now. The main thing in the economy now is to restore severed relations."

"We need Russia as air and water," Karimov stressed. "I worked at planning bodies for many years and know how diverse our ties. Our spiritual affinity is no less important," he concluded.

Karimov Criticizes Kyrgyz Leaders Over New Currency

LD2505151793 Tashkent UZBEKISTAN APN in Russian 1100 GMT 25 May 93

[Text] Islam Karimov, president of Uzbekistan, has condemned the actions of the leadership of the Republic of Kyrgyzstan in connection with the introduction of its national currency. The departure of Kyrgyzstan from the ruble zone brings with it the threat of "ruble intervention" for the Central Asian republics. Of the 55 billion rubles in circulation in Kyrgyzstan only around 6 billion rubles have been exchanged for soms (the new Kyrgyz currency). The absence of borders between the Central Asian republics means that these 49 billion rubles could flow into Kyrgyzstan's neighboring countries, Islam Karimov added in an address at a session of the Cabinet of Ministers of the Republic of Uzbekistan.

Presidential Edict Creates Space Research Agency

AU2605205193 Kiev HOLOS UKRAYINY in Ukrainian 25 May 93 p 4

[Tetyana Chelysheva report from Tashkent: "Along Paths in Space"]

[Text] **The "Uzbekkosmos" space research state agency has been created by Uzbekistan President Islam Karimov's edict. Candidate of physico-mathematical sciences Kamol Muminov, former head of the Tashkent Scientific Research Institute of Space Instrument-Making, will be its general director.**

"Uzbekkosmos" will shape the state's policy in the sphere of space research and its implementation and will study space and planets in order to promote the development of fundamental sciences. One of its main tasks is the implementation of methods and technologies approved for use in space.

Armenia

President Issues Statement on Peace Plan

NC2605210393 Yerevan Armenia's Radio First Program Network in Armenian 1700 GMT 26 May 93

[Statement issued by President Levon Ter-Petrosyan; date not given—read by announcer]

[Text] The statement says: In giving its consent to the 18 May variant put forward by the three plus one group, and having assumed the responsibility to fully implement the provisions relating to it, Armenia is proceeding from the conviction that the aforesaid initiative is (?introducing) the first serious possibility of creating peaceful conditions in the region, which in its turn makes possible the peaceful resolution of Nagorno-Karabakh problem through talks.

In acting thus, Armenia is taking into consideration the UN Security Council Resolution 822 whose urgent and full implementation is mandatory on all states and sides, as well as the necessity of avoiding the spreading and intensification of the war (?in consideration) of the security of the regional countries.

Nonetheless, it must be (?stated) that the initiative has given way to certain concerns that relate to the guarantees for the security and rights of the people of Nagorno-Karabakh. Armenia is not fully convinced that Azerbaijan has renounced for good its policy of finding a military solution to Nagorno-Karabakh problem.

Nevertheless, Armenia is determined to fulfill those steps which (?have the potential) of developing the current possibilities of the peace process.

Therefore, Armenia not only reiterates that all its transportation routes are open to the neighboring countries, including the Nakhichevan Autonomous Republic, but is also ready to ratify this at a relevant regional multi-sided agreement.

With this decision aimed at enhancing the possibility of peace, Armenia also assumes the additional responsibility of virtually becoming the guarantor for the strict implementation of the agreements aimed at ensuring the security of the people of Nagorno- Karabakh.

For now, Armenia declares unequivocally that it will not tolerate any violation of the agreements reached, and expects that a similar responsibility will be assumed by the authors of the initiative and the international community.

Since the militarization of the Nagorno-Karabakh conflict four years ago, the international community, including the UN, CSCE, and individual countries, have not taken any practical steps to defend the peaceful population of Nagorno-Karabakh against Azerbaijani blockades, oppressions, deportations, and aerial bombings. The international community cannot act as the defender of only one section of the international law by completely ignoring the other section.

In case of the withdrawal of the Nagorno-Karabakh self-defense forces from Kelbadzharskiy Rayon, the remilitarization of Kelbadzharskiy, or the resumption of the military operations by Azerbaijan following the cessation of the military operations envisaged by this initiative, would not only threaten the security of the people of Nagorno-Karabakh, but, by undermining the mediatory efforts, would also irreversibly discredit the idea of international mediation.

The Armenian Government is ready to make its constructive contribution for the realization of the initiative on the understanding that by accepting this initiative, Azerbaijan forever renounces the finding of a solution to the Karabakh problem by military methods.

The authors of the initiative, the international community, and particularly the UN and the CSCE, should henceforth hold Azerbaijan responsible for any violation of the international law and norms.

Deputy Minister Comments on Signing Peace Plan

NC2605183893 Yerevan SNARK in English 1458 GMT 26 May 93

[Text] Yerevan, May 26 (SNARK)—"Armenia has used the first serious possibility to put an end to the Karabkah war" said Zhirair Liparityan Armenian [first] deputy foreign minister, during today's press-briefing in Armenian Foreign Ministry. Commenting on the "official" Yerevan compliance with the terms on the trilateral American-Russian-Turkish initiative, the minister noted that the peace guarantees within the document are not sufficient and there is a lack of confidence in them. However, in Liparityan's opinion, Armenia understands that the conflict regulating process is a dynamical one and the chances to obtain peace in the region will increase during constructive negotiations of the sides. "We suppose the signed document does respond to the policy of Armenian leadership, the main aim of which is a quick cease-fire and the negotiations process beginning." The first Armenian deputy foreign minister noted also the decision has been achieved during long discussions and consultations with official representatives from different countries. Liparityan underlined that the official Yerevan took on account the factor that if Armenia didn't sign the document the weak stability in the region would be interrupted and brought to the military actions escalation and getting the situation out of hands.

Azerbaijan

Gasymov Talks With Envoys on Karabakh Peace Plan

NC2605184793 Baku TURAN in English 1352 GMT 26 May 93

[Text] Baku May 26 (TURAN)—As it was reported today at noon the Foreign Minister of Azerbaijan Tofik Gasymov handed to the ambassadors of the USA, Turkey

and Russia the plan of peaceful settlement of Armenian-Azerbaijani conflict signed by the Prime Minister Panakh Guseynov and the Defence Minister Dadash Rzayev.

During the brief talk with ambassadors Gasymov informed that early this morning Armenian troops fired the town of Fizuli on the north of Low Karabakh. The firing was during the four hours. There are great destructions in the town.

After the talk with Gasymov ambassadors answered TURAN correspondents questions.

The Russian Ambassador Valter Shonia called the accepting of tripartite American-Russian-Turkish plan by Azerbaijan as "a constructive step towards peaceful settlement of the conflict", and defined the position of Azerbaijan as "an expression of constructivism and consistency". Shonia mentioned that his government appraised high the decision of Azerbaijan leaders to cease fire on the whole frontage by unilateral order. He expressed hope that "firm position of Azerbaijan on this problem would help to speed up the process of stabilization of the situation in the region". Shonia declared that Moscow was informed of the four hour firing of Fizuli by Armenian subunits.

The U.S. Ambassador Richard Miles in his talk to TURAN correspondent said that "the accepting of tripartite plan by Azerbaijan is raising hopes to be real a peaceful settlement". At the same time the U.S. ambassador said that "the firing of Fizuli made him anxious and he would keep an eye on the course of events".

The Ambassador of Turkey Altan Karamanoglu in his talk to TURAN correspondent noted that "Azerbaijan response is an important political step and it showed the world community the real interest of Azerbaijan to solve the conflict peacefully. The escalation of military operations by Armenian side in Fizuli must be regarded as a refusal of peacemaking process", stressed the Ambassador of Turkey.

Further on Karabakh's Rejection of Peace Plan

LD2605141293 Moscow ITAR-TASS World Service in Russian 1226 GMT 26 May 93

[By ITAR-TASS correspondent Vadim Byrkin]

[Text] Moscow, 26 May—The Nagorno-Karabakh authorities have not approved the initiative of Russia, the United States, and Turkey on a settlement of the conflict, and they have notified the leaders of these countries of this today.

"Our people's concern is aroused by the document's lack of guarantees for the safety of the population of Nagorno-Karabakh and guarantees of the sides' fulfillment of their obligations and lack of bearing of responsibility for their fulfillment," Nagorno-Karabakh's plenipotentiary spokesman in the Armenian republic Manvel Sarkisyan said, explaining the position. In addition to that, the authorities of Nagorno-Karabakh, who have expressed readiness to fulfill UN Security Council Resolution 822, have noted a substantial difference between the trilateral initiative and the UN Security Council Resolution—the UN document speaks of a lasting cease-fire, but the initiative speaks of a 60-day suspension of military activities. Nor does the initiative mention the question of lifting the transport and energy blockade of Nagorno-Karabakh, Armenia, and Nakhichevan.

Manvel Sarkisyan pointed out that the reply of the Nagorno- Karabakh Republic to the initiative expresses nonacceptance of the participation of Turkey as a mediator, since its real interest may be expressed in maintaining the blockade, and giving military and economic aid to Azerbaijan, which is in breach of Resolution 822.

"Nagorno-Karabakh favors the firm commitment of all participants in the conflict to resolve it solely by peaceful means," Manvel Sarkisyan said.

State of Emergency Extended Two Months

NC2705084693 Baku TURAN in English 0735 GMT 27 May 93

[Text] Baku, 27 May (TURAN)—On yesterday evening sitting Milli Mejlis decided to prolong the term of the state of emergency for extra two months. 27 deputates (Milli Mejlis consists of 50 deputates) voted for this decision.

Deputate Mutallimov consider, that for accepting such a decision, its necessary, that ⅔ of votes of the Milli Mejlis members will be agree. But the Supreme Soviet Lawyer Atakishiyev clarified, that ⅔ of votes are necessary to accept the decision on putting the state of emergency into regime, but in this case it concerns the prolonging of the term of its action. In this case just simple majority of the votes will be enough.

According to the Constitution of the Republic, state of emergency can be put in force for the term not more than 60 days. The state of emergency was put in force in Azerbaijan in early April this year, because of the complicated situation, after capturing Kelbadzhar region by Armenian Army.

The parliament speaker Isa Kamberov on yesterdays sitting said, that the guidance of the Republic were discussing the questions on mollifying the state of emergency regime.

Egyptian Group Meets Deputy Premier, Discusses Ties

NC2605202193 Baku Radio Baku Network in Azeri 1700 GMT 25 May 93

[Text] First Deputy Prime Minister Vakhid Akhmedov received the visiting Egyptian delegation led by Dr. Muhammad 'Abdallah, head of the Egyptian parliament's permanent committee on foreign affairs, today. Akhmedov told his guests the following: Azerbaijan is prepared to establish economic cooperation with all the countries in the world. Our Republic has very significant opportunities and we hope that Egyptian companies will be interested in investing in Azerbaijan.

According to the information an AZERTAC correspondent has received from the council of ministers press service, Akhmedov and the Egyptian delegation exchanged views on the perspectives of cooperation between Azerbaijan and Egypt. Regarding Armenia's aggression against Azerbaijan, the Egyptian guests said that their country upholds Azerbaijan's insistence on the withdrawal of Armenia's military forces from the territories they have occupied and supports the peaceful settlement of the dispute between the Armenia and Azerbaijan.

The sides also exchanged views on Egypt's experience on the transition to the free market system and on matters related to the broadening of cooperation between Azerbaijan and Egypt in fine arts and cultural work.

Georgia

Shevardnadze Decree Appoints Senior Military Officials

LD2505122893 Tbilisi Radio Tbilisi Network in Georgian 1505 GMT 24 May 93

["Decree of the head of state on the introduction of a new structure for the Defense Ministry and the appointment of senior military officials"—read by announcer]

[Text] Taking into account the draft program for military restructuring in the Republic of Georgia, and with the aim of establishing a unified command and upgrading the combat readiness of the Armed Forces, I decree:

A. To introduce a new structure at the Ministry of Defense of the Republic of Georgia. Structure appended.

B. To appoint:

Major General Paata Datunashvili as first deputy defense minister;

Major General Avtandil Tskitishvili as general staff commander and first deputy defense minister;

Lieutenant General Levan Sharashenidze as deputy defense minister responsible for general policy and relations with the Russian Federation troops;

Major General Tamaz Dumbadze as deputy defense minister;

Lieutenant General Robert Tavadze as deputy defense minister responsible for logistics;

Colonel Tamaz Tskhakaia as deputy defense minister and inspector of the Armed Forces;

Lieutenant General Vano Gurgenidze as deputy defense minister responsible for munitions;

Major General Jemal Chumburidze as deputy defense minister responsible for construction and billeting;

Colonel Gaioz Galdavadze as deputy defense minister responsible for military industry;

Colonel Giorgi Vashakidze as deputy defense minister responsible for emergency situations and civil defense;

Major General Panteleimon Giorgadze as deputy defense minister and commander of the border troops.

The post of commander of the Armed Forces of the Ministry of Defense is to be abolished.

Appoints New Commander of Tskhinvali Forces

AU2605132793 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 21 May 93 p 1

["Order of the Georgian Head of State on the Appointment of Colonel N. Tatarashvili as Senior Military Commander on the Georgian side of the Peace Forces in the Tskhinvali Region" issued in Tbilisi on 19 May]

[Text] To appoint Colonel Nodar Tatarashvili as senior military commander on the Georgian side of the peace forces in the Tskhinvali region.

Eduard Shevardnadze

Tbilisi, 19 May 1993

Parliament Decrees Adherence to UN Convention on Genocide

AU2605150893 Tbilisi SAKARTVELOS RESPUBLIKA in Georgian 20 May 93 p 2

["Decree of the Georgian Parliament on the Adherence of the Republic of Georgia to the UN International Convention 'on the Adoption of Timely Measures To Prevent the Crime of Genocide and Punishment for Genocide'" issued in Tbilisi on 18 May]

[Text] The Georgian Parliament **decrees:**

The Republic of Georgia is to adhere to the UN International Convention "on the Adoption of Timely Measures To Prevent the Crime of Genocide and Punishment for Genocide."

To notify the UN secretary general of this.

Vakhtang Goguadze, speaker of the Georgian Parliament

Tbilisi, 18 May 1993

Shevardnadze Gives Overview of Abkhazia Conflict

LD2605200493

[Editorial Report] Moscow Ostankino Television First Channel Network in Russian at 1420 GMT on 26 May carries a 30-minute recording of a Georgian television program entitled "The Last War in Georgia," to mark the Georgian Republic's Independence Day. Having briefly recalled the history of Georgian national sovereignty, including a short spell of independence in the 1920's,

which was crushed by the Bolsheviks, presenter Guram Kutsiava turns to an ongoing conflict of today—the fighting in Abkhazia.

Kutsiava interviews the well-known Georgian writer Chabua Amiredzhibi, who has lost his only son in the Abkhazian war. Amiredzhibi says that people fighting on the Abkhazian side often have little to do with Abkhazia, while Georgia is losing the best of its young people, whose motives in joining the fighting are noble and patriotic. He expresses his belief that the Georgian cause is just and that Georgia should not give away any of its land. He then dwells on the significance of 26 May as the Independence Day of the Georgian nation.

Kutsiava then interviews Eduard Shevardnadze, the Georgian head of state and chairman of the parliament, about the present stage in Georgian history. According to a caption, this interview was recorded on 21 May 1993.

Shevardnadze said the process of falling apart of the Russian- Soviet empire is still far from complete. "It was created not only in the center but also in the provinces—in the people's thinking, attitudes and all other aspects. Therefore, in my opinion, the falling apart of the empire is a long, complicated, and controversial process. This process has not yet ended. Regarding the first stage of asserting the independence, it developed against the background of the general collapse of the empire, and to a certain extent negative processes, destructive processes predominated."

Shevardnadze adds that it was difficult to overcome the habit of viewing politics from an imperial point of view and so conflicts were inevitable. "The next goal I am setting myself and our people is to stop these destructive processes and to start in full seriousness to build up a new state, which will be a creative process."

Turning to the conflict in Abkhazia, Shevardnadze says: "I think we chose the right policy from the outset—to try to settle the conflict and resolve the problem, with the Russian government taking part, and using the initiatives put forward by President Boris Nikolayevich Yeltsin. I think this was the right way of doing it."

Shevardnadze then recalls the ups and downs of the settlement process over the last few months, concluding: "Nevertheless, my opinion is that the Russian factor will play a very important role in the final settlement of the conflict both in Abkhazia and in Tskhinval."

Shevardnandze goes on to express satisfaction with the newly- agreed cease-fire and suggests there should be at least a month's pause in fighting, during which commissions and monitoring bodies could be set up. Asked to give a forecast, he says: "Things are unlikely to develop according to an ideal scenario, because after so many people have been killed and we have witnessed atrocious bombardments and illegal actions on both sides, it would be difficult for peace to settle in at once, such a thing will not happen. But I still think we have no other option, and Abkhazians understand this as well as Georgians."

Shevardnadze notes that international organizations are helping to resolve the conflict. He adds that he welcomes conciliatory initiatives of Ukrainian President Leonid Kravchuk, continuing: "Our neighbors the Armenians, the Armenian Republic, for example the Armenian parliamentary deputies, come here all the time, visit the conflict area, and offer advice. President Abulfaz Elchibey of Azerbaijan is showing great interest; we asked him for advice and got it. Thus, we welcome the participation of all our friends and well-wishers, and I particularly stress the special importance of Russia taking part, its benevolent, good and positive participation."

Shevardnadze concludes by expressing hope that the Abkhazian conflict will indeed be the last Georgian war. "If we fail to put an end to this war, we will ruin the country and no state will be built here. This is our task today, and it is an absolutely realistic one." He adds that it is difficult to avoid mistakes under the present extreme conditions, especially as Georgia inherited a bad legacy from the communist regime, but there is enough goodwill on the Georgian side.

Five Crew Members Killed in Russian Helicopter Crash

LD2705090393 Moscow Ostankino Television First Channel Network in Russian 0800 GMT 27 May 93

[From the "Novosti" newscast]

[Text] A Russian helicopter carrying humanitarian aid crashed yesterday for as yet unknown reasons near the village of Sakeni, which is controlled by the Georgian side. All five crew members were killed. A special commission flew from Moscow today to the scene of the disaster to investigate the circumstances of the helicopter's crash. According to the Abkhaz side, the helicopter was shot down by Georgian military subunits with a surface-to-air missile.

Ukrainian Mercenaries Reportedly Brought to Sukhumi Area

MK2505132093 Moscow NEZAVISIMAYA GAZETA in Russian 25 May 93 p 3

[NEGA-signed report under the general heading: "Truce Broken"]

[Text] According to reports from Abkhazian sources, on 22 and 23 May the Georgian military command moved 500 mercenaries from Ukraine to Sukhumi, where now there are more than 1,000 of them. State of the art tanks are about to be shipped from Ukraine to Georgia. This is accompanied by stepped-up operations of the Georgian secret services in Abkhazia, Krasnodar Kray, and the North Caucasian republics. The Abkhazian side claims that the Georgian leadership is exploiting the cease-fire to build up its military strength in the conflict area.

Estonia

Russian Deputy Minister Gives News Conference

LD2605160993 Tallinn Radio Tallinn Network in Estonian 1700 GMT 25 May 93

[Excerpts] Russian First Deputy Foreign Minister Anatoliy Adamishin is in Estonia for a second day. Today he and the Estonian foreign minister gave a news conference. [passage omitted]

[Reporter Uku Toon] According to what Anatoliy Adamishin said, he rates his trip not as having been successful, perhaps, but having brought results nonetheless. Both parties are united in their position that the present state of their relations is not satisfactory, and there is a common desire to do something to improve this. [passage omitted]

The question of the Russian population's rights and the possible linking of this to the troop withdrawal resulted in an exchange of views in front of the journalists. The visitor recalled that Estonians themselves have also linked the two issues by saying that if the troops were withdrawn already, non-citizens in Estonia would perhaps be given more rights. Anatoliy Adamishin unambiguously said that in his opinion Russians are being discriminated against in Estonia. To put it mildly, he does not care for a parliament without a single representative from among one-third of the population; and now the local governments will turn out to be the same. In Adamishin's opinion, a country's laws and constitution are naturally a domestic matter for the country itself but that is not so for human rights. Estonian Foreign Minister Trivimi Velliste recalled at this point that human rights and political rights are different and that our constitution is uniquely lenient to non-citizens. In a word, the parties kept to their positions.

When questioned about the Russian-Estonian border, the Russian deputy foreign minister opined that if we wish to improve our relations there is no point in raising the issue because any border changes are unrealistic in the near future. No Russian government would do this, and it does not matter here who is right and who is not. [passage omitted]

Views Failure To Arrange Summit

LD2605193493 Tallinn Radio Estonia in English 1520 GMT 26 May 93

[Text] Concrete preparations for the Estonian-Russian summit meeting have not begun yet though the subject has been discussed for well over half a year. We must prepare the summit thoroughly. The ministers of foreign affairs and the defense ministers must work hard in the name of the breakthrough in the relations of the two states, said Russian Deputy Foreign Minister Anatoliy Adamishin during his visit to Estonia.

The Russian and Estonian officials have said before that the most important political problems should be settled at top level. Mr. Adamishin met the president of Estonia, Lennart Meri, and the representatives of the Russian community here yesterday. President Meri handed to Mr. Adamishin a schedule for the Russian troops' withdrawal and the dismantling of the Paldiski nuclear reactors.

Both the parties welcomed the statement of the Russian defense minister, Pavel Grachev, that he made in Vilnius on 19 May, according to which, on certain conditions, the Russian troops may leave Estonia by the end of the year. Mr. Adamishin expressed hope that a compromise may be reached in the [word indistinct] (?to our problems).

Mr. Adamishin is of the opinion that the current state of affairs does not satisfy anybody. Touching upon the conditions of the Russian population in Estonia, Mr. Adamishin said that his emotions were both positive and negative. He mentioned the normal relations between the Estonian and Russian communities. At the same time he criticized the situation where one-third of the population is not represented in the parliament and cannot be elected into local authorities. However, Mr. Adamishin says that it is Estonia's home [as heard] problem although, he cautioned, human rights cannot be the internal affair of just one state. The aim of the Russian leadership is to direct our compatriots in other countries to cooperation not conflict, said Mr. Adamishin.

Today Mr. Adamishin visited Narva.

Nation Clashes With Ukraine at Council of Europe Session

LD2705030693 Tallinn Radio Estonia in English 1520 GMT 26 May 93

[Text] The hostile attitude of the Ukrainian delegation towards Estonia (?therefore) was not the official position of the Ukrainian Supreme Council, reports the Baltic News Service [sentence as heard].

The hostile attitude of the Ukrainian delegation towards Estonia at the Council of Europe parliamentary assembly was due to the home political struggle of the Ukraine. The Ukrainian delegation [word indistinct] a markedly [word indistinct] to Estonia's position and therefore deplored Estonia's admission to the Council of Europe, saying that Estonia's admission is premature since human rights are violated in Estonia.

The Ukrainian delegation passed a statute [words indistinct] the Council of Europe.

The Speaker of the Estonian State Assembly, Ulo Nugis, told the Baltic News Service that the leader of the Ukrainian democrats, Mr. Holon, was replaced by a higher official of the communist party who (?states) the opinion of the delegation.

Mr. Nugis says that the democratic forces in the Ukrainian Supreme Council form the minority, and therefore the opposing forces have started to reorganize the parliamentary delegation. Mr. Nugis also said that an official inquiry will be sent to the Ukrainian Supreme Council about the conduct of their delegation in Strasbourg.

Latvia

Swedish Defense Minister Donates Military Equipment

PM2505133693 Stockholm DAGENS NYHETER in Swedish 18 May 93 p A8

[Kaa Eneberg report: "Swedish Radar System a Gift for the Baltic Region"]

[Text] Riga—Sweden intends to help the Baltic states with a modern electronic surveillance system. With such a system Estonia, Latvia, and Lithuania will be able to maintain surveillance over their coastal waters as well as their land borders and airspace.

This was announced yesterday by Defense Minister Anders Bjorck (Moderate Coalition Party) when he held a press conference together with his Latvian counterpart, Talavs Jundzis, in Riga. The defense minister also made the offer of a further four coastal surveillance vessels. They will be overhauled and handed over during a Swedish naval visit to Riga on 13 August.

Both the Latvian and Estonian coastal surveillance services have each been equipped with a Swedish coastal surveillance vessel in the past year.

The previously strident Baltic calls for arms supplies faded away during the visit, having been drowned by the concrete gift of equipment which the Swedes have made. Anders Bjorck gave the full list: health care equipment, all-terrain vehicles reinforced against shrapnel, cross-country trucks, maintenance equipment, bicycles, 10,000 uniforms, helmets, sapper shovels, rubber boots, intensiometers [intensiometrar] for measuring radiation, and field kitchens.

Defense Minister Jundzis responded politely by declaring that he fully respects the Swedish decision not to give or sell arms.

The first step along the road to a joint Baltic surveillance system along the Baltic coast will be a study which the Swedish National Defense Research Institute will carry out and complete by September. A government decision to this effect will be made in the next few days. The French have already made such a study, but it was rejected because of the extremely high estimated costs. The level of ambition was too high, in the view of experts.

The Swedish outline aims at a modern system which will require the cooperation of the three nations. Existing Swedish equipment could perhaps be used when setting up the system.

The visit, which was surrounded by much official pomp, also included a visit to the Russian naval base of Bolderaia at the entrance to the port of Riga. There was also a trip on board a small civilian speedboat which followed in the wake of what was formerly Swedish coastal surveillance vessel KA01.

At the Russian base, which has largely been abandoned, there lay rusting Whisky-class submarines, well known in Sweden and throughout the world because of the incident when one of them ran aground in the Karlskrona archipelago. Latvian navy chief G. Zeibots proudly showed off the area which despite their independence was still closed to Latvians a month ago.

Anders Bjorck is the first Nordic defense minister to visit Latvia. With the recent meeting of Nordic defense ministers in Karlskrona behind him he was able to act as spokesman for a joint Nordic approach to the Balts.

Anders Bjorck chose to visit Latvia at a time when uncertainty is great particularly in respect of the remaining Russian troops. They are disappearing from the three countries at the same time as the Russians are indicating that they do not intend to enter into formalized agreements.

A press conference stressed the two countries' interest in both political and military stability around the Baltic Sea. They both desire a stable Baltic region.

Today the Latvians begin new discussions with the Russians in Jurmala about the Russian troops and immediately after the meeting with Anders Bjorck Defense Minister Jundzis hurried off to Vilnius to meet with Russian Defense Minister Grachev.

The Latvian minister expressed the hope that it will now be possible to achieve a formal agreement.

Agreements are needed for political stability, Anders Bjorck said. There is a clearly expressed fear among the Balts that all the Russians will return if their withdrawal is not properly formalized in agreements.

Despite all the bustling enterprise in Latvia on beautiful May days like these concern about the future is everywhere present. The atmosphere was somewhat unreal when a music corps in Latvian uniforms played good-humoredly for visiting Defense Minister Anders Bjorck in Riga's central park where the dramatic shoot-out with militia troops took place two years ago.

Russian Troop Withdrawal From Valmiera Suspended

LD2605181293 Riga Radio Riga Network in Latvian 1300 GMT 26 May 93

[Report by correspondent Gunta Matisone]

[Text] It has been envisaged that a battalion of the road commandant's office [as heard] of the Russian forces, stationed at Kaugurmuiza, will at last leave Valmiera today. We saw at the Valmiera station yesterday that soldiers were loading all their belongings in wagons, beginning with boots and ending even with equipment which was being fastened to railway platforms. At the moment these wagons should have already been on their way. It was envisaged that today all of the site would have been handed over to border guards of Valmiera. The command

of the local military unit was also ready for that. However, Janis Virsis, commander of a border guard unit, reported this morning that yesterday afternoon the plans were cancelled by an order brought from District Commander Mayorov. Mayorov ordered the suspension of the handing of the site over to the Latvian side until the moment when the Latvian and Russian delegations meet at the negotiation table. This will take place in Moscow on 31 May. At the moment the situation at Kaugurmuiza is such that the majority of Russian soldiers have already left the place and only two officers and five soldiers are left to guard this unit. Well, we can only hope that this unit of the Russian Army will, nevertheless, have left the region altogether before big events start in Valmiera in the summer.

Lithuania

Brazauskas Interviewed on Foreign, Domestic Issues

LD2505133893 Vilnius Radio Vilnius Network in Lithuanian 1330 GMT 24 May 93

[Studio interview with President Algirdas Brazauskas by Algirdas Usas; date not given—live or recorded]

[Excerpts] [passage omitted] [Usas] Last week Russian Defense Minister Pavel Grachev was on a visit in Vilnius, and the state negotiating teams also met after a long interval. Have these visits become a new step in the relations between our states?

[Brazauskas] I could say that these are one of the steps which has been taken after a long interval since September of last year.

Although the visit by Minister Grachev to Lithuania should not be directly linked with the arrival of the Russian state negotiating team in Vilnius, the issues which Minister Grachev and I discussed are closely related to those which were discussed at the meetings of the negotiating teams.

There is no doubt that the timely withdrawal of Russian troops from the territory of Lithuania is a pressing issue, not only to us but also to everybody else. Practical issues were discussed in detail here in my office and with Minister Audrius Butkevicius, the government, and the heads of departments. I can say that no particular contradictions or matters which would defy solution have been encountered.

Of course various minor matters do exist, which are mainly of a practical nature, say, the supply and use of rail carriages. The withdrawal of ammunition and other cargo from Lithuania appears to be more problematic than the withdrawal of servicemen to the location of their permanent deployment. We discussed how to accelerate this process. I can tell you that 1,250 rail carriages have been ordered for the month of May, which is a record number.I hope that our railway people will be able to deliver the carriages on time so that they can be loaded up and sent out of Lithuania. [passage omitted]

[Usas] Pavel Grachev did not reject the possibility of appealing to the Lithuanian leadership to look after the ammunition for some time if it is not taken out by 1 August. Would such a proposal be acceptable?

[Brazauskas] First of all such a proposal has not been made officially. This was only talked about. I would like to have everything done in such a way that such a need would not arise and that the units of the Russian troops would manage to carry out the work on time. If some part of their property is left here we will negotiate whether they will give it to us or whether they will take it away later, of course, on a beneficial basis.

Our young armed forces also need many things. As far as I know an agreement has already been reached on handing over some ammunition and other equipment to Lithuania. This is quite a positive thing, I should say, and rather useful to our armed forces. In future we will hold negotiations on this, we still have time, however, what we do not need should be taken out of our territory. [passage omitted]

[Usas] Although very important issues have been discussed in the Lithuanian Seimas, recently the number of various actions outside the Seimas Palace on Independence Square has increased. One such action will take place tomorrow, organized by the Lithuanian Workers Union and some other organizations. Do such actions impede the work of the Seimas and other state institutions?

[Brazauskas] Of course this does not make life easier, only it is not clear what has to be resolved. Actions of this nature are being organized on a wide scale, and there is no need to conceal that this Lithuanian Workers Union organizing it does not put forward any specific proposals for the government to act upon. I did not happen to see them. Then the question arises whether the action is being organized for the sake merely of having an action, [words indistinct] or all this action has been organized for some purpose.

What the state, the Seimas, and the government are able to do today they are doing: wages are being increased and measures are taken to stabilize the talonas and there are indications that the prices have started to stabilize. [passage omitted]

I do not see any catastrophic deterioration of the situation. I have have all the information on the economy and we are holding consultations periodically and we are trying to eliminate all the causes, so that people's living standards start to improve.

In my view all these actions are purely of a political nature, these actions are not directed against any very specific mistakes made by the Seimas or the government and after all by the president. This is a political action directed as I understand it at destabilizing the situation in Lithuania. And we already know from the experience of three years

what the destabilization of the situation means and today we are living with the results which have been produced because of the instability of the government. To have six governments in three years is a world record. [passage omitted]

No impermissible measures or actions will be taken against the demonstrators either by the government, the Seimas, or the President. We live in a democratic society, everybody has to be able to behave in a democratic way. [passage omitted]

Brazauskas Comments on Economic Reforms, Russian Ties

LD2705000093 Moscow Russian Television Network in Russian 1945 GMT 26 May 93

[Interview with President Algirdas Brazauskas by unidentified reporter from Vilnius; date not given—recorded]

[Text] [Reporter] Lithuania was one of the first republics of the former Soviet Union to proclaim its independence. By virtue of its geographical position and the historical links that have taken shape, the republic is seeking to develop its relations not only with Western countries, but also with its eastern neighbors, including Russia.

[Brazauskas] In spite of that, there are still many problems in our internal life. I would say that there are fewer political ones, perhaps, because the main institutions of power have been formed, right up to the Constitutional Court. The Constitution has been adopted, and we will now be able, I should say, to work calmly. I place great emphasis on the work of the government and on the stability of the government's work because six changes in the composition of the government in three years do not amount to a normal phenomenon. It is damaging to the economic reforms and to all other economic indicators of economic management in the actual state. Now the government has been formed on the basis of competence and not according to some party principle. In my view, that is right. I have sought to bring that about as president, and it has proved possible to do so.

Life, then, is not standing still. Although it is not as good as we would like, there is sufficient enthusiasm, enough willpower and energy in all organizations, and we try to mobilize and direct into one channel the efforts of all political organizations—I mean parties—and now the Democratic Labor Party, which has a majority in parliament, as well as the opposition, headed by Mr. Landsbergis, to participate actively like a normal European opposition.

[Reporter] Lithuania has become a free state. How does Lithuania now clear its accounts with Russia and other states for the delivery of oil products, and other products?

[Brazauskas] This question is very difficult to resolve for the time being. I hope that the new leadership of our Central State Bank has already begun talks and contacts with the Russian State Bank, with the leadership of the Bank, because these settlements are very much delayed.

While internally here in our state we have already been able now, approximately since 15 May, to settle accounts within 48 hours—this is a big step forward. Settling accounts with clients, with partners in Russia and other states of the former Soviet Union is not all that easy and is also very difficult when one considers the time involved. Now we are trying and we have already begun the sale of nonconvertible currency, of all states. The sale of currency, the auction of currency, has been started, because there are the interests of the Russian ruble, well then, of the ruble zone and clients, of the Ukrainian karbovanets, and of our coupon which is still circulating in our country. We are hoping, however, to introduce our national currency in the next few months; we are getting ready for this.

[Reporter] What kind of currency will this be?

[Brazauskas] The litas was our money which circulated in our country prior to the war in the first independent republic of Lithuania. It was a fairly highly convertible currency: six litas for one dollar. This was its exchange rate when converted and it was a strong currency. We are trying to restore it.

[Reporter] The exchange rate has not yet been determined?

[Brazauskas] Not yet, but we are discussing it. This question is being discussed generally, well, approximately one litas for 100 of our coupons.

[Reporter] In rubles this would be 200 rubles?

[Brazauskas] This would be 150 to 160 rubles, yes.

[Reporter] Could you please explain why the situation with the settlement of mutual accounts with other states is so difficult?

[Brazauskas] You know, first, the sundering of all financial ties, lack of commitment and responsibility—I would put it this way—on the part of certain partners, probably, on both sides. A refusal to pay, bankruptcy of some partners—there are very many reasons. Second, there is no system for settling interstate accounts in different nonconvertible currencies where the exchange rates change all the time. Can you see? This is also a factor here. A high rate of inflation—it also strongly affects the settlement of mutual accounts. An attempt by some banks in Russia and by our commercial banks to keep currency and put it in circulation, and thus to receive additional profit or interest. I would call that an embezzlement concerning banks' clients.

[Reporter] What are the relations between Russia and Lithuania?

[Brazauskas] I am confident our relations with Russia will be improving in the future. The work of our embassy in Moscow has become more active at present and the new ambassador has been already appointed. We have already reached an agreement to open consulates in St. Petersburg

and in Kaliningrad oblast. It is very important for us. I think that in the very near future we will reach an agreement with the Russian Foreign Ministry as regards opening a consulate in Tomsk, Siberia, where there are many people of the Lithuanian nationality. I can see prospects for normal interstate relations, which are mutually advantageous and which will never create unpredictable situations between our states. We realize that Russia is a big state. Lithuania is comparatively smaller. Our geographical position is, on the one hand, very advantageous from the economic point of view, from the point of view of interstate trade. Therefore, we will build our foreign policy on the basis of good-neighborly relations and tolerance towards each other.

[Reporter] There is a very great Russian population; there are many Russians in Lithuania. What is their status? What is the attitude to them here? Can they adopt Lithuanian citizenship and what are the conditions for adopting Lithuanian citizenship?

[Brazauskas] Well, I would not say that there are very many. Russians make up approximately nine percent of the population and there are no great problems. We are constantly trying to look after the interests of people of other nationalities, and we maintain close contacts with the embassy of the Russian Federation. Well, first, citizenship has been adopted by some 90 percent of all Russians in Lithuania. This is a large percentage. They had a long period, a lengthy period, for such self-determination on citizenship and they adopted this citizenship. Truth to tell, there are now people who are turning down the citizenship which they have adopted and are leaving for home, or to go to their children or relatives, everyone according to his interests. We, well, are depriving such people of citizenship by law. There are not all that many, but such a movement exists. To tell the truth, the question arises in general of dual citizenship. I, as president, however, on my initiative, have submitted a few proposals to our parliament for discussion. These are fairly fundamental questions, but I think that they will be resolved some time in the future because dual citizenship is a matter which is not all that easy. This must be discussed very seriously, even though I have the right, in exceptional cases, to grant citizenship, dual citizenship. There are people in our country who apply to us from Russia and Lithuania—Lithuanians and Russians who want to have dual citizenship. There are only single cases, however; we have not yet discussed these questions, but in the near future we will be examining them. We have a commission especially for citizenship attached to the president. It is operating permanently. It includes legal experts, and it not only fulfils these functions, I would even say, consular functions, but also prepares proposals to improve the entire legislation on citizenship.

Brazauskas on 'Promising' Prospects for Ties With Ukraine

LD2505202193 Kiev Radio Ukraine World Service in Ukrainian 1600 GMT 25 May 93

[Text] Lithuania sees Ukraine as a promising economic partner, proceeding, above all, from the similarity of the reforms of market nature carried out in both countries. This was stressed by Algirdas Brazauskas, president of Lithuania, at a meeting with the ambassadors of foreign countries in Vilnius. He pointed out that he attributes great significance to the implementation of joint projects with the neighboring Baltic and northern countries as well as with Ukraine and Belarus. Moreover, in the opinion of Brazauskas, Lithuania intends to look for partners in the southern Black Sea area via Ukraine.

The president informed the diplomats that Lithuania is going to open its embassy in Kiev in the near future. At the same time he emphasized that he fully supports Ukraine's initiative concerning the creation of a single security zone for east and central Europe.

Brazauskas Accepts Resignation of Trade, Industry Minister

LD2605145293 Vilnius Radio Vilnius Network in Lithuanian 1200 GMT 26 May 93

[Text] A decree on the resignation of Albertas Sinevicius, minister of trade and industry, was signed by Lithuanian President Algirdas Brazauskas on 24 May. It reads inter alia: Guided by Article 84 Paragraph Seven of the Constitution of the Republic of Lithuania, and taking the request of Minister Albertas Sinevicius into consideration, I accept the resignation of Albertas Sinevicius, minister of trade and industry.

Diplomatic Relations Established With Syria

LD2505165893 Vilnius Radio Vilnius Network in Lithuanian 1400 GMT 25 May 93

[Text] Here is a report by Lithuanian Ministry of Foreign Affairs Press and Information Department.

The Department of Information and Analysis at the Lithuanian Embassy in the Russian Federation informs that a meeting of Romualdas Kozyrovicius, ambassador extraordinary and plenipotentiary of the Republic of Lithuania to the Russian Federation, and Muhammad 'Isam al-Na'ib, ambassador extraordinary and plenipotentiary of the Syrian Arab Republic to Russia, took place at the Syrian Embassy in Moscow today.

A joint declaration was signed during the meeting, according to which diplomatic relations have been established as of today between the Republic of Lithuania and the Syrian Arab Republic.

Representatives from the Ministries of Foreign Affairs of the Republic of Lithuania and the Arab Republic of Syria and members of staff of the embassies were present at the official signing ceremony.

This is the 80th state with which the Republic of Lithuania has established diplomatic relations.